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## Economic Trends

#### No. 626, January 2006

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# in brief

At a glance – economic summaries recently released on the National Statistics website.

## GDP growth

#### **GDP**

Quarterly growth (per cent)



Growth in the third quarter of 2005 is driven by a rise of 0.7 per cent in the service sector, with strength shown within the business services and finance, government and other, and transport and communication sectors.

Manufacturing output increased by 0.3 per cent in the third quarter, with the largest growths in the output of the transport equipment industries, the chemicals and man-made fibres industries, and the electrical and optical equipment industries.

Construction output rose by 0.5 per cent in the third quarter.

Household expenditure rose by 0.5 per cent, following 0.2 per cent growth in the second quarter of 2005. Growth in the third quarter of 2005 was driven by growth in expenditure on semi-durable goods.

Government final consumption expenditure in the third quarter remained at the same level as quarter two and is now 0.6 per cent above the level seen in the third quarter of 2004.

Exports fell by 0.4 per cent over the third quarter, within which exports of goods rose by 0.4 per cent and exports of services fell by 2.0 per cent. Imports rose by 1.9 per cent as imports of goods rose by 2.6 per cent and imports of services fell by 0.8 per cent.

Compensation of employees, measured at current prices, rose by 1.1 per cent. The operating surplus of corporations fell by 4.0 per cent as insurance profits fell sharply, reflecting the impact of hurricane Katrina.

Released: 22 December 2005

## Productivity

#### Whole economy, Annual growth

Per cent



In the third quarter of 2005, whole economy productivity (measured by output per worker) grew by 0.4 per cent compared with the same quarter a year ago, down from growth of 0.6 per cent in the previous quarter. The fall in annual productivity growth was due to the increase in whole economy employment more than offsetting an increase in output.

On a quarterly basis, productivity was unchanged in the third quarter, down from growth of 0.4 per cent in the previous quarter. The decrease in productivity growth on a quarterly basis was due to an increase in the rate of growth of whole economy workers combined with a small fall in the growth rate of output.

The alternative measure of productivity – output per hour worked – showed that hourly productivity was unchanged in the third quarter of 2005 compared with the same quarter a year ago, down from 0.4 per cent growth in the previous quarter.

In the third quarter of 2005 manufacturing productivity, on an output per job basis was 3.9 per cent higher than the same quarter of 2004, up from growth of 2.9 per cent for the previous quarter. The increase in the annual productivity growth figure was due to higher output growth than in the previous quarter.

On a quarterly basis, manufacturing productivity grew by 1.2 per cent in the third quarter of 2005, up from growth of 0.9 per cent in the previous quarter. This rise in quarterly productivity was due to the increase in the growth rate of manufacturing output offsetting the increase in the growth rate of productivity jobs.

Whole economy unit wage costs in the third quarter of 2005 were 3.0 per cent higher than the same quarter a year earlier,

unchanged from the growth rate in the second quarter. The fall in the growth rate in average wages and salaries was matched by the fall in the growth rate of output per worker.

Overall manufacturing unit wage costs in the third quarter of 2005 grew by 0.5 per cent compared with the same quarter a year earlier, up from a fall of 0.3 per cent in the second quarter of 2005.

Released: 23 December 2005

## Inflation

#### Annual inflation rates - 12 month

Per cent change



CPI annual inflation – the Government's target measure – fell to 2.1 per cent in November.

The largest downward effect on the CPI annual rate came from transport. Petrol and diesel prices fell for the second successive month, with the average price of ultra-low sulphur petrol down by 3.6p per litre, compared with a rise of 1.1p a year ago. There was also a large downward effect from air travel, with fares on international routes falling by more than a year ago, particularly to European destinations.

A small downward contribution came from restaurants and hotels, with the cost of accommodation services falling this year, particularly for overnight stays in UK hotels, but rising a year ago.

A small upward contribution to the CPI annual rate came from alcoholic beverages and tobacco, with retailers continuing to pass on price increases which started in October affecting all tobacco items. Upward pressure also came from food and non-alcoholic beverages, mainly due to meat prices rising by more than last year, particularly for beef products.

RPI inflation also fell in November, but by less than the CPI, mainly reflecting smaller downward pressure from air travel, and stronger upward pressure from furniture prices, which rose by more than a year ago. In both cases this was due to differences in the weights between the two indices. Small downward influences came from housing components excluded from the CPI, especially mortgage interest payments and depreciation costs – the amount home owners need to spend to maintain their property.

RPIX inflation – the all items RPI excluding mortgage interest payments – fell to 2.3 per cent in November, from 2.4 per cent in October.

As an internationally comparable measure of inflation, the CPI shows that the UK inflation rate is around the average for the European Union as a whole. The provisional inflation rate for the enlarged EU 25 in October was 2.4 per cent, compared with the UK figure for the same month of 2.3 per cent.

Released: 13 December 2005

## Employment

#### **Employment rate**

Per cent of all economically active



#### **Unemployment rate**

Per cent of all economically active

Sampling variability ± 0.2 per cent



The trend in the employment rate is flat while the trend in the unemployment rate may have started to rise. The count of people claiming Jobseeker's Allowance benefit increased for

the tenth month in succession, and the trend is increasing. The number of job vacancies has fallen. Growth in average earnings, both excluding and including bonuses, has fallen.

The employment rate for people of working age was 74.7 per cent for the three months ending in October 2005, down from 74.8 per cent the previous quarter.

The number of people in employment increased by 58,000 over the quarter and by 326,000 over the year, to reach 28.81 million. This quarterly increase in employment was entirely due to more full-time workers.

Total hours worked per week increased by 1.2 million over the quarter and by 11.4 million over the year, to reach 923.4 million.

The number of jobs rose by 9,000 over the quarter and by 261,000 over the year to reach 30.82 million in September 2005.

The unemployment rate was 4.9 per cent, up from 4.7 per cent, both over the quarter and over the year. The number of unemployed people increased by 72,000 over the quarter, and by 97,000 over the year, to reach 1.49 million. This quarterly increase in unemployment came mainly from the 18–24 age group.

The claimant count was 902,000 in November 2005, up 10,500 on the previous month. The claimant count has increased for ten consecutive months and is 88,200 higher than the recent low point in January 2005.

The inactivity rate for people of working age was 21.3 per cent for the three months ending in October 2005, down from 21.4 per cent the previous quarter. The number of economically inactive people of working age fell by 22,000, to reach 7.90 million.

The annual rate of growth in average earnings (the AEI), excluding bonuses, was 3.9 per cent in October 2005, down from 4.0 per cent the previous month. Including bonuses, it was 3.6 per cent, down from 4.1 per cent the previous month.

The average number of job vacancies for the three months to November 2005 was 600,200. This was down 25,200 on the previous quarter and down 41,500 over the year. The redundancy rate for the three months to October 2005 was 5.7 per 1,000 employees, down slightly on the previous quarter.

Released: 14 December 2005

# Economic update Annual summary 2005

#### Anis Chowdhury Office for National Statistics

#### **Overview**

- 2005 has seen a slowdown in the UK economy and subdued growth in the eurozone, with stronger growth in the US and Japan.
- Output growth in the UK has been led by the service sector which has been offset in part by negative growth in industrial production.
- From the demand perspective, the slowdown was driven by weaker government and consumer demand, with business investment remaining subdued.
- The UK current account of the balance of payments continued to be in substantial deficit going into the last quarter of 2005.
- The current employment rate is high while the unemployment rate is low compared to historical standards, though unemployment picked up slightly. Average earnings growth has grown more modestly than in 2004.
- Producer annual output and input price inflation picked up in 2005 due to high oil prices.
- Consumer price inflation picked up in 2005 due mainly to high oil prices, but shows signs of a slowdown in the last quarter.

#### **GDP** activity – overview

Full year figures are not yet available for any country, but GDP growth rates up to the third quarter of the year have now been published for the major economies. Preliminary figures for the fourth quarter will be available in late January in the case of the UK. Consequently when reference is made here to what happened in 2005, it should, unless otherwise stated, be taken as referring only to the period for which data has already been published (Figure 1).





Growth in the major world economies on average shows a mixed picture for the year. US and Japan GDP growth has been fairly robust whilst growth in the euro zone has been somewhat subdued though with some signs of a stronger pick up in 2005 quarter three with the exception of Italy.

Growth in the US has been led by the domestic sector. After expanding by 0.9 per cent in quarter one, quarter two saw a slight deceleration to 0.8 per cent, followed by an acceleration in quarter three to 1.1 per cent. Growth in the first two quarters was mainly led by strong rises in household consumption expenditure and business investment. In the second quarter there was also a positive contribution from net exports. The acceleration in the third quarter primarily reflected increases in household consumption expenditure and government spending as well as a smaller decrease in private inventory investment.

Japan started the year well, with vigorous quarterly GDP growth of 1.4 per cent in quarter one resulting from strong household consumption growth and higher capital expenditure and public spending growth. However, there was a slowdown in growth in quarter two, to 1.2 per cent, but still a robust rate of growth. Household consumption expenditure and business investment continued to be the key drivers for growth. The slowdown was mainly due to sharp declines in private residential investment and reduced government expenditure. In the third quarter, growth decelerated further to 0.2 per cent. This was primarily due to a fall in inventories. It was also partly due to a slowdown in household consumption expenditure and partly due to a sharp decrease in business investment. There was also a negative contribution from net exports. Growth in Europe has been more subdued. In Germany, GDP growth was 0.6 per cent in quarter one. The growth was mainly driven by net exports along with a rebound in business investment. This was offset by weakness in consumer demand. In quarter two, growth slowed further to 0.2 per cent. This was mainly due to a negative trade balance as imports exceeded exports. Consumer spending continued to remain weak. In quarter three, there was a pick up in growth to 0.6 per cent. The main positive contribution came from net exports, with exports rising strongly on the quarter. There was also a strong rise in business investment. On the downside, there was a third successive negative contribution to growth from household expenditure. In France, GDP growth in quarter one was 0.3 per cent. This was mainly due to a slowdown in domestic demand. In quarter two, weak domestic demand contributed to a further deceleration, to 0.1 per cent, driven partially by a sharp contraction in business investment and to a lesser extent consumer spending. Government spending also fell. In quarter three however, there was a sharp rebound in growth to 0.7 per cent, mainly due to a sharp rise in household expenditure and a rise in business investment.Net exports also made a contribution to growth for the first time in two years. The Italian economy saw itself coming out of two quarters of negative growth in the second quarter of 2005. Growth was  $0.7\ per\ cent\ in\ quarter\ two\ in\ contrast\ to\ a\ fall\ of\ 0.5\ per\ cent\ in$ quarter one. The sharp turnaround was mainly due to increased industrial and services output. In quarter three, growth decelerated to 0.3 per cent. Industrial output was the main contributor to growth, with services output remaining flat.

#### **UK GDP**

GDP in the UK has shown weaker growth so far in 2005 than it did in 2004. Activity was fairly strong in the first two quarters of 2004 with growth slowing down in the last two quarters. This subdued rate of growth has continued into 2005. Real GDP growth for 2004 as a whole was 3.2 per cent. The growth in the second quarter of 2005 compared to the quarter a year ago was 1.6 per cent, down from the 2.0 per cent growth rate in the previous quarter compared to the quarter a year ago. However, the less modest growth in 2004 quarter three meant that the growth rate compared with the third quarter of 2004, rose slightly to 1.7 per cent. The Treasury, in its December Pre-Budget Report, estimated that the growth rate for 2005 as a whole is likely to be 1.75 per cent.

The sector accounts show similar flows across the economy in 2005 to 2004. The UK corporate sector was once again a big net lender. Despite this run of surpluses, the overall debt level remains high due to the heavy borrowing between 1997 and 2001. The household sector remains a net borrower as once again income growth proved insufficient to finance total outlays. Households debt levels continue to be relatively high, although the quarterly interest payments on the loans are still being kept down by low interest rates. The level of government sector net borrowing fell in 2005 partly due to rising tax revenues alongside lower rises in cash expenditure. The current account of the UK balance of payments continues to be in deficit.

#### **Financial Market activity**

Last year saw a number of significant developments in financial markets.

The first of these is the result of shift in monetary policy, and particularly the rise in US interest rates. US interest rates have been raised eight times by 25 basis point changes in 2005 and currently stand at 4.5 per cent, up from 2.5 per cent at the beginning of the year. In contrast UK interest rates have been fairly stable. The most recent change was in August when the interest (repo) rate was reduced by 0.25 per cent to 4.5 per cent. While short term market interest rates have followed official interest rates, longer term interest rates in the UK have fallen over the course of the year and as result 10 year bond yields are ending the year below the current level of short term interest rates.

Secondly, the stock market has continued the recovery that began last year. Equity performance has been positive this year on the whole although stock prices have been volatile. The FTSE All - Share index was up around 7 per cent in 2005, a similar rate of growth to 2004. This stock market performance might be partly attributed to the regime of lower UK interest rates.

Thirdly, currency markets saw sterling depreciate against the dollar throughout 2005 but appreciate against the euro. The effective exchange rate remained broadly flat in quarter one. In quarter two it rose to 1.4 per cent, decreasing by 1.3 per cent in quarter three. The growth rate in quarter four was broadly flat (Figure 2).

#### Figure 2 Exchange rates



The movements in exchange rates in 2005 may be linked to a number of factors. Firstly, the appreciation of the dollar may partly reflect the interest rate rises in the US and the US's relatively strong economy. In regards to the eurozone, the appreciation of sterling against the euro partly reflected weak euro zone growth. There was something of a rebound in the euro versus sterling in the latter part of 2005, partly due to stronger euro output growth and partly to expectations of higher interest rates in the euro zone.

#### Output

GDP growth on the output side of the economy has been led by the service sector for most of 2005, just as it has been for much of the last few years. Construction output growth has been relatively subdued in 2005 and less strong than in previous recent years. A key difference in 2005 has been negative growth in industrial production. Consequently, this has been the major contributory factor to the GDP growth slowdown in 2005.

Services sector output growth in the third quarter was 2.5 per cent when compared with the same quarter a year ago, slightly up from the growth rate of 2.4 per cent in the second quarter but below the year on year growth rate of 3.6 per cent for 2004. Quarterly growth rates have been more subdued than the 0.9 per cent growth rate of the second quarter of 2004 but overall remain quite robust. Growth in quarter three is estimated to have been 0.7 per cent, up from 0.6 per cent growth in the previous quarter (Figure 3). Growth continues to be widespread across the service sector and is occurring in both the public and private sectors. The main area of slowdown is in the distribution sector, reflecting the slowdown in consumer demand. In quarter three, transport, storage and communication, business services & finance and government and other services were particularly buoyant as they have been for the first two quarters of 2005. Surveys of the service industry sector undertaken by other organisations such as the CIPS, the CBI and the BCC generally show fairly robust balances for most of 2005.

#### Figure 3

Services output





Construction output growth has been on average lower than in 2004 (Figure 4). Growth on average in 2004 was up by 3.3 per cent compared with the previous year. However, by the third quarter of 2005, growth when compared with the same quarter a year ago had slowed to 1.4 per cent. Indicators of activity produced by CIPS and RICS show a similar story.

Industrial production is the part of the economy which has shown the most significant weakness in the course of 2005. Growth fell by 1.0 per cent in quarter one and was flat in quarter two. In quarter three it decreased by 0.6 per cent. A primary source of volatility has been mining & quarrying output, which includes oil and gas extraction. After having declined by 0.8 per cent in quarter one, the output of the mining & quarrying industries recovered to 0.2 per cent in

#### Figure 4 **Construction output**



quarter two, only to decline again in quarter three by 7.7 per cent. Manufacturing output, which accounts for just under 80 per cent of industrial production has also to a lesser extent contributed to weak industrial production growth. There have been some tentative signs of improvement during the course of 2005, but still remains subdued. Manufacturing output declined by 0.9 per cent in quarter one. In quarter two, manufacturing output declined by 0.2 per cent. In quarter three, output showed a modest positive growth of 0.3 per cent. The information as yet available for the fourth quarter suggests that activity has remained weak as manufacturing output fell by 0.3 per cent in the three months to October (Figure 5).

#### Figure 5 Manufacturing output

Growth



External surveys of manufacturing such as the CIPS, CBI and BCC report decreasing activity in the first two quarters. In the third quarter, the survey's show a mixed picture with the CIPS survey signalling a slight increase in activity in contrast to the CBI and BCC who report a sharply worsening performance. The surveys highlight the effect of weak domestic demand on manufacturing output growth.

The gap between some external surveys and official data has narrowed recently as the external surveys have become more pessimistic. It is worth noting that it is not unusual for the path of business indicators and official data to diverge over

the short term. These differences happen partly because the series are not measuring exactly the same thing. External surveys measure the direction rather than the magnitude of a change in output and often enquire into expectations rather than actual activity.

#### **Domestic demand**

During 2005, domestic demand slowed, partly driven by lower consumer demand and government spending. Business investment remained subdued.

For consumer demand, growth was 0.1 per cent and 0.2 per cent for quarters one and two respectively, achieving modest growth of 0.5 per cent in quarter three. Comparing the quarter on the quarter a year ago, consumer spending shows a marked deceleration from 2.8 per cent in quarter one to 1.3 per cent in quarter three (Figure 6).

#### Figure 6 Household demand





Retail sales are one indicator of household consumption (Figure 7). It should be noted that household consumption accounts for a much broader range of spending than just retail sales. For instance, household purchases of services, motor vehicles, and housing (imputed rents) are not included in retail sales. During the final quarter of 2004 the evidence suggests that the growth in retail sales weakened and this seems to have continued in the first quarter of 2005. In 2005 quarter two and three, there were some signs of a modest pick up. In quarter four, indications were of a continuation of the pick up seen in guarter three. The volume of retail sales in the three months to November was 1.0 per cent higher than in the previous three months. This follows growth of 0.7 per cent in the three months to October. This may partly be an effect of the discounting done by retailers in the latest quarter. External surveys such as the CBI and BRC generally report weak retail sales for 2005.

The weakness of consumer spending might be connected to the lagged effect of the three interest rate rises in the summer of 2004. Indeed reports indicate that saving has increased recently with inflow of funds into savings accounts being at their highest for a number of years. The savings ratio was 5.5 per cent in 2005 quarter three, down slightly from 5.6 per cent in quarter two but up 4.7 per cent from quarter one.

#### Figure 7 **Retail sales**



In addition there is little evidence of a sustained recovery from the relatively weak housing market. The Nationwide building society reports that house prices grew by 2.4 per cent in 2005, compared to 12.7 per cent in 2004.

More generally as household consumption has risen faster than disposable income in recent years, the household sector has become a considerable net borrower. It is likely, that due to relatively high debt levels, consumer expenditure growth will be more tied to the growth of personal disposable income in the near future. Also, some argue that the possibility of higher taxes in the future and increasing tax bills in the last couple of years may also explain some of the consumer slowdown. Higher oil prices could also be contributing to the consumer slowdown by displacing expenditure on certain durable goods.

Consumer confidence indices generally show a negative picture in 2005. The GfK index in 2005 quarter three showed a deterioration to minus three from minus one in quarter two and plus one in quarter one. The negative picture seems to have continued in the fourth quarter with a balance of minus 8. The MORI index shows a similar picture. The MORI average economic optimism index (EOI) was minus 26 in 2005 quarter three down from minus 15 in 2005 quarters two and one, the largest negative balance since 2003 quarter one. In November the balance was minus 8.

Gross fixed capital formation was up 3.9 per cent in the third quarter of 2005 compared with the same quarter a year ago (Figure 8). The growth was mainly driven by general government investment rather than business investment. In terms of asset, all areas of investment spending rose in 2005 with the major contributions coming from other buildings and structures and machinery and equipment. The only exception being the 0.4 per cent fall in dwellings in quarter two compared to the quarter a year ago.

Total fixed business investment showed some recovery in 2004 but has fallen back somewhat in 2005. Business investment in 2004 was 3.3 per cent. In 2005 quarter one, business investment compared to the same period a year ago was 2.6 per cent. It rose slightly in quarter two, to 2.7 per cent. In quarter three compared to a year ago, growth decelerated to 1.2 per cent.

#### Figure 8 Total fixed investment



Government final consumption expenditure in real terms grew fairly strongly for most of 2004. Growth was 5.0 per cent in 2004 quarter one compared to a year ago. In quarter four, growth had decelerated to 1.2 per cent. In 2005 quarter one there was a further deceleration with growth of 1.0 per cent compared to the year ago. In quarter three, growth fell further to 0.6 per cent, down from 0.9 per cent in quarter two. A much lower rate of growth than the average of 2004 (Figure 9).

#### Figure 9 Government spending

#### Growth



#### Trade and the Balance of Payments

The UK current account remained in substantial deficit in 2005. The third quarter deficit figure was £10.2 billion, following a deficit of £1.4 billion and £6.7 billion in quarters two and one respectively giving a cumulative total for the first three quarters of 2005 of a deficit of £18.3 billion. The deficit figure for the whole of 2004 was £23.2 billion. The marked deterioration in quarter three is due to a weaker trading position in both goods and services. The higher goods deficit was partly due to higher imports of oil. On the services side, there was a lower surplus in services, mainly due to the estimated payment of claims by Lloyds of London arising from the effects of Hurricane Katrina (Figure 10).

#### Figure 10 Trade and balance of payments



In volume terms, both exports and imports have risen so far this year, with the latter growing more slowly. Exports of goods and services rose by 4.6 per cent in the third quarter when compared to a year ago. Export of services fell by 2.1 per cent over that period, while exports of goods were up by 8.2 per cent. These figures, would appear to suggest that the UK is starting to benefit from a pick up in world trade, aided by a boost from a slightly lower pound. However, recent export figures need to be treated with caution as they may have been distorted by VAT Missing Trader Intra-Community (MTIC) Fraud. The effect of this fraud would lead to an over recording in exports and under recording of imports. For instance, traders import goods, mainly on high value and easily transportable goods such as mobile phones and computer chips, VAT free, sell them on for a sum including VAT, and then disappear before passing the VAT to HM Revenue and Customs. Total imports of goods and services rose by 4.8 per cent in the third quarter when compared to the same quarter a year ago. Imports of goods rose by 6.5 per cent over that period, while imports of services fell by 0.8 per cent.

#### Labour Market

In recent years, the strength of the UK economy has been reflected in the labour market statistics. In 2005 there have been signs of softening, particularly in the latter part of the year, following evidence of a previous tight labour market. But overall, the picture for 2005 is still one of a stable labour market. By this it is meant that the employment rate is high and conversely the unemployment rate low by recent historical standards and they have changed by very little over the last year or so.

The household-based Labour Force Survey (LFS) shows in the three month period from August to October, employment rose by 1.1 per cent compared with the same period a year ago. The employment rate amongst people of working age is 74.7 per cent, which is only 0.1 percentage point lower than the start of the year. Unemployment as measured by the LFS has also been broadly stable. The unemployment rate in the three month period August to October was 4.9 per cent, which is 0.2 percentage points higher than its rate at the start of the year (Figure 11).

#### Figure 11 Unemployment and economically inactive



Another indicator of the Labour Market is the claimant count rate (those receiving job-seekers allowance) which has shown an upward trend over the course of 2005. The claimant count rate in November 2005 was 2.9 per cent, up 0.3 percentage points from the beginning of the year. This has shown an increase in every month of 2005. The claimant count level in November was 902,000, up from 814,000 at the beginning of the year.

As job vacancies are often filled from the pool of inactive workers rather than the unemployed, the strength of the labour market can also be seen by reference to the inactivity rate. The economically inactive are those that are of working age but are either not looking for work or are not available for work. The inactivity rate though broadly stable has shown a slight downward trend in 2005. The inactivity rate was 21.3 per cent in the three months August to October, down 0.2 percentage points from the early part of the year. The level was 7.90 million in the three months to October. Most categories of the inactive have recorded falls with the main downward contributions coming from those 'looking after the home', the 'long-term sick', and the 'retired'.

Looking at the composition of the labour market in 2005, job growth was mainly driven by employee jobs. Employee jobs grew by 1.3 per cent in the three months to September when compared to the year ago. Self-employment jobs growth on the other hand fell in the first two quarters but rose in quarter three, growing by 0.7 percent in the third quarter compared to a year ago. Full-time employment showed increases throughout 2005, whilst part-time employment fell in most periods. Full time employment increased by 1.6 per cent, whilst part-time employment decreased by 0.2 per cent, in the third quarter compared to a year ago.

The 'workforce jobs' (employer based survey) is now available upto September 2005 and shows a similar pattern of employment growth by industrial category to that seen in 2004. Service sector jobs rose by 1.3 per cent in the year to the third quarter of 2005, after rising by 0.3 per cent in 2004 as a whole. Within services, the sectors with the fastest rate of growth have been education, health & public administration and finance & business services with both growing by 1.6 per cent in the year to the third quarter of 2005. This compares with respective growth rates of around 3.0 per cent and 2.0 per cent for 2004 as a whole. Manufacturing on the other hand has continued to shed jobs throughout 2005. In the year to the third quarter of of 2005, manufacturing employment fell by 3.6 per cent. A similar rate of decline to that of 2004.

The final labour market development worth noting is average earnings. Growth in average earnings, excluding bonuses, which gives the best indication of the underlying trend was growing at an annual rate of 4.4 per cent in January. Since then, there has been a lower rate of increase reaching 4.1 per cent in April. In subsequent months it stabilised at 4.0 per cent until October. Average earnings in the three months to October was 3.9 per cent when compared with the same period a year ago. However, growth has been more modest compared to 2004. Public sector wage growth has been quite strong for most of 2005 and has outstripped private sector wage growth for all of 2005. However, public sector wage growth has slowed down in quarter three, and as a result the gap with private sector wages has narrowed. Public sector wage growth in the three months to October compared to a year ago was 3.9 per cent, lower than the 4.7 per growth rate seen in January. The private sector growth rate in the three months to October was 3.8, also down from the rate of 4.3 per cent in January 2005.

Overall, the slight rise in the ILO unemployment rate and claimant count rate, together with modest earnings growth in the third quarter seems to be one that is measurably consistent with modest growth in the UK economy.

#### **Prices**

The producer and consumer price inflation picture has shown a similar trend in 2005. Producer and consumer price have picked up over the year but seems to have slowed down in the last few months. One thing in common to both is the major influence of oil prices on their respective growth rates.

Producer output prices growth was 2.6 per cent in January compared to a year ago, and started to pick in subsequent months reaching a high of 3.3 per cent in April, due to the impact of high oil prices. Output prices however, eased in May and June, despite the continued strength of oil prices, with growth of 2.7 per cent and 2.5 per cent respectively. This may have been partly due to an inability by firms to pass on energy costs to customers and who instead had to absorb them into their profit margins. In July there was a strong pick up in output prices to 3.1 per cent. After a small dip in August to 3.0 per cent, the upward movement continued, reaching a peak of 3.3 per cent in September. The increase in this period may have seen firms passing on some of the rises in energy costs rather than absorb then into their profit margins. In quarter three, oil prices have remained relatively high, although down on the levels seen in quarter two. However, output prices eased in October and November, growing by 2.6 per cent and 2.3 per cent respectively compared to a year ago. This may again suggest a reluctance by firms to pass on energy costs to customers in view of the weak UK domestic economy.

Producer input prices growth has been fairly strong for most of 2005 and, as with output prices, has seen a major correlation with oil prices. Producer input prices growth averaged 10 per cent in quarters one and two. In July, compared to a year ago, input prices reached a peak of 14.2 per cent. The rise mainly reflected price rises in crude oil and to a lesser extent imported parts and equipment prices. In subsequent months there was an easing of growth in input prices, falling to 8.9 per cent from 10.3 per cent in September. This coincided with a fall in oil prices. In November however, compared to a year ago there was a strong pick up to growth of 12.7 per cent. This mainly reflected price rises in fuels and home produced food, offset by a fall in crude oil.

Movements in the consumer price index inflation (CPI) have also been partly related to the price movements of crude oil. The CPI started the year with growth of 1.6 per cent, below the government's target of 2.0 per cent. Over the subsequent months it gradually started to increase, accelerating in July to reach growth of 2.3 per cent going above the government's target. The main contribution to the growth came from petrol prices, due to increases in crude oil prices. In August, there was a further upward movement of 2.4 per cent, reaching a peak of 2.5 per cent in September. Again one of the main contributions to the rise came from high petrol prices. In October the CPI fell back to 2.3 per cent, due to lower bank overdraft charges, but also partly due to lower fresh vegetable prices and partly lower petrol prices. In November the CPI decelerated further to 2.1 per cent. This was mainly due to a fall in petrol prices and air fares (Figure 12).

## Figure 12 Inflation

Growth, month on month a year ago



Retail Price Index inflation (RPI) has declined throughout 2005. The growth rate was 3.2 per cent in January and stayed at that rate until April. In May it decelerated to 2.9 per cent where it remained until August where growth of 2.8 per cent was recorded. In subsequent months there were further decreases and at November stood at 2.4 per cent, down from 2.5 per cent in October. The deceleration since quarter two partly reflects lower mortgage interest payments and partly due to a slowdown in the depreciation costs of housing. The Retail Price Index, excluding mortgage interest payments (RPIX) grew on average by 2.2 per cent in both quarter one and two. In quarter three the average quarterly growth rate was 2.4 per cent.

## Forecasts for the UK economy

#### A comparison of independent forecasts, December 2005

The tables below are extracted from HM Treasury's Forecasts for the UK Economy and summarise the average and range of independent forecasts for 2005 and 2006, updated monthly.

| Independent forecasts for 2005                      |            |            |            |  |  |  |  |  |  |
|---|------------|------------|------------|--|--|--|--|--|--|
|   | Average    | Lowest     | Highest    |  |  |  |  |  |  |
| GDP growth (per cent)                               | 1.6        | 1.5        | 1.8        |  |  |  |  |  |  |
| Inflation rate (Q4 per cent)<br>CPI<br>RPI          | 2.3<br>2.4 | 2.0<br>2.0 | 2.6<br>3.1 |  |  |  |  |  |  |
| Claimant unemployment<br>(Q4, million)              | 0.89       | 0.84       | 0.93       |  |  |  |  |  |  |
| Current account (£ billion)                         | -24.2      | -31.4      | -19.1      |  |  |  |  |  |  |
| Public Sector Net Borrowing<br>(2005–06, £ billion) | 37.6       | 32.0       | 43.0       |  |  |  |  |  |  |

| Independent forecasts for 2006                      |            |            |            |  |  |  |  |  |  |
|---|------------|------------|------------|--|--|--|--|--|--|
|   | Average    | Lowest     | Highest    |  |  |  |  |  |  |
| GDP growth (per cent)                               | 2.1        | 0.3        | 2.9        |  |  |  |  |  |  |
| Inflation rate (Q4 per cent)<br>CPI<br>RPI          | 1.9<br>2.3 | 1.4<br>0.9 | 2.9<br>3.7 |  |  |  |  |  |  |
| Claimant unemployment<br>(Q4, million)              | 0.96       | 0.83       | 1.11       |  |  |  |  |  |  |
| Current account (£ billion)                         | -27.1      | -43.8      | -17.0      |  |  |  |  |  |  |
| Public Sector Net Borrowing<br>(2006–07, £ billion) | 38.6       | 29.0       | 48.0       |  |  |  |  |  |  |

NOTE Forecasts for the UK Economy gives more detailed forecasts, covering 27 variables and is published monthly by HM Treasury, available on annual subscription, price £75. Subscription enquiries should be addressed to Claire Coast-Smith, Public Enquiry Unit 2/S2, HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ (Tel 020 7270 4558). It is also available at the Treasury's internet site: http://www.hm-treasury.gov.uk under 'Economic Data and Tools'. \*PSNB: Public Sector Net Borrowing.

# Public service productivity: Education

UK Centre for the Measurement of Government Activity Office for National Statistics

This article first shows the estimated change in productivity in public expenditure on Education from 1995 to 2004, consistent with the figures in the current National Accounts. Recognising that further progress in improving the measurement of output is needed, the article goes on to look at the productivity estimates implied by the new methodologies for measuring output published by DFES on 14 October 2005.

The article also presents a wider set of evidence that helps build up an overall picture of Education performance. The article is based on the latest information available to the Office for National Statistics (ONS); as more data become available estimates of output and productivity will be updated. This is the second article in the Public Service Productivity Series following the Health Productivity article published in October 2004.

#### **Key findings**

- Education productivity is estimated by dividing Education outputs by Education inputs. Key to this calculation is the appropriate quality adjustment of outputs and the deflation of inputs.
- Education outputs and inputs have been increasing over 1995 to 2004. Using currently published National Accounts data on Education outputs and figures for deflated inputs based on improved methodology, Education productivity has been falling since 1995 but less markedly since 2002.
- Productivity figures are also presented using new measures of output designed to take better account of quality changes. These are based on educational attainment as measured by GCSE results and on progress between the four Key Stages in the education system (in England).
- Another factor is the value of Education output which is increasing over time because of rising real earnings in the economy. The Atkinson Review recommended adjusting for this, though suggested this should be used cautiously pending further debate. Accordingly the article presents estimates both with and without this adjustment.
- The estimates of productivity need to be interpreted with caution. They are sensitive to the quality adjustment of Education outputs and there are many Education outcomes for which there is currently no quality adjustment factor.
- However, on the measures presented here, productivity growth could have averaged around +2 per cent a year since 1998 on the methodology giving the highest estimates. The methodology giving the lowest growth estimates suggests productivity could have fallen by around -2 per cent a year over the same period.
- Finally, estimates of productivity also need to be interpreted alongside other forms of corroborative evidence on the inputs, outputs and outcomes. It is unlikely that a single number for productivity will ever capture all the costs and benefits of the education sector.

#### 1. Executive summary

- 1.1 This article examines the change in output and productivity of government expenditure on Education. It is the second article in a new series on Public Service Productivity following a Health article published in October 2004. The articles explore public service productivity within the context of the National Accounts, providing a more detailed picture of output, inputs and productivity than the National Accounts themselves.
- 1.2 Education productivity is measured as the ratio of Education outputs to Education inputs. Outputs and outcomes are best defined together. Outcomes are the improvements in the educational status of the population, widely defined. Not all of such improvements, even where they can be measured are directly attributable to the public Education Service; they will also depend upon other features such as parental attitude and input, and social circumstances. These improvements in outcomes which, however, can be directly attributed to the Education Service constitute its output. From 1995 to 2004, Education output,<sup>1</sup> as measured in the National Accounts, grew by an annual average of around 1 per cent. The changes in output are presented in Figure 1.

#### Figure 1 General government Education output: chained volume measure

UK, Index 2002=100





1.3 Deflating published government expenditure at current prices<sup>2</sup> to account for pay and price increases provides a volume measure of input change over time. Several estimates of deflated inputs are provided in this article to reflect the impact of using new deflators and new measures of capital. The resulting estimates on the various methods, described in more detail in the main text, are shown in Figure 2. They are relatively insensitive to the exact methodology used. Figure 2 shows that the volume of inputs, from 1995 to 2004, is estimated to have increased by an average of around 2 per cent annually.

#### Figure 2

#### Education input measures, 1995–2004

UK, Index 2002=100



## Figure 3 Education productivity measure, 1995–2004

UK, Index 2002=100



Source: Office for National Statistics

- 1.4 Productivity is estimated by dividing the output figures by the input figures. Annual changes in this ratio provide annual changes in productivity. Using the output measure published in the National Accounts and the input measure deflated using new estimates of teachers' pay and use of capital, Figure 3 shows a productivity change over the period averaging around -1 per cent per year.
- 1.5 These estimates, however, need to be heavily qualified. The Atkinson Review of *Measurement of Government Output and Productivity for the National Accounts* recommended that any direct measures of government output needed to capture adequately the changing quality of the output. This is a complex process and still undergoing development. A key challenge is how to quantify Education outcomes, the ultimate results aimed at from education, that are directly due to the Education outputs and how this impacts on output growth.

- 1.6 The current quality adjustment measure published in the National Accounts is based on the trend in General Certificate of Secondary Education (GCSE) results over several years in the mid-1990s which has not been updated. This needs updating and revising, particularly as recent GCSE results show continued improvement over the period 1995 to 2004. In 2004, 52 per cent of pupils in England gained five or more GCSEs (or equivalent) at grades A\* to C, compared with 40 per cent in 1995.
- 1.7 Moreover, there are further benefits to education than just pupil attainment. The economic benefits include increased income from higher employment and wages, and education helps build human capital. There are wider benefits: education provides social and communication skills, special provision for special needs pupils, counselling for pupils, home work clubs, sports and art activities, healthier lifestyles and a better quality of life. Schools also provide child care provision for pupils during school hours as well as care and wider emotional support and training. In addition, Education Services are likely to produce lower costs to the NHS from healthier lifestyles and to the criminal justice system, as educated people are less likely to commit crime. However, many of these outcomes are also in part due to factors outside the Education Services, for example, socio-economic status of pupils, the environment, demography, parents' education, parental interest, and private tuition.
- 1.8 This article examines the use of new measures of quality of output, using GCSE results and progress between the four Key Stages of the English compulsory education system. When more measures become available on the benefits of education and how these have been directly influenced by Education outputs, it is hoped that these can be taken more fully into account in the analysis.
- 1.9 A key consideration is the weight to be given to the fact that educational attainment becomes increasingly valuable in a growing and increasingly productive economy. The Atkinson Review recommended that the Office for National Statistics (ONS) should give serious consideration to adjusting the output estimate to account for the trend rate at which real earnings have risen. The Atkinson Review felt that to ignore this effect would miss an important contribution to public output (paragraph 9.34 Atkinson Review Final Report).
- 1.10 At the same time, Atkinson recommended caution in implementing this recommendation before ensuring that the underlying principle receives wide support. ONS will be working with the Department for Education and Skills (DfES) to consult on this point specifically, in the context of wider discussion on improving the measurement of Education output. Consequently, this article presents productivity estimates both with and without the real earnings adjustment Atkinson proposed.

1.11 Without the earnings adjustment, productivity growth would be as indicated in Figure 4. The range of estimates is equivalent to productivity having changed by -2 per cent a year on average at the bottom end or having remained fairly constant on average, during 1998 to 2004.

#### Figure 4 New measures of Education productivity, 1998–2004: no adjustment for earnings growth



Source: Office for National Statistics/Department for Education and Skills

1.12 With allowance for the earnings effect, using a rate of 1.5 per cent – the Atkinson Review estimate of the trend in real earnings growth – productivity would be estimated to have evolved as in Figure 5. These estimates are equivalent to productivity having changed within the range of around +2 per cent at the upper end and around –0.5 per cent a year on average during 1998 to 2004 at the bottom end.

#### Figure 5

## Earnings adjusted measures of productivity, 1998–2004

UK, Index 2002=100



- 1.13 It is important to recognise there is still debate about certain aspects of the estimates of Education outputs and inputs, namely the:
  - use of final GCSE results as an appropriate quality adjustment of outputs
  - future changes to the examination system and targets
  - assumptions used in pupil progress measures needs further investigation
  - appropriate measures of 'value added' need further research
  - deflators currently used for expenditure on pay and goods and services
  - measure of input for capital using capital consumption (depreciation) or capital services (rent)
  - impact related to the real earnings growth in the Education output measure needs more consideration and corroborative research and evidence.
- 1.14 The Atkinson Review also advised that independent corroborative evidence should be sought on government productivity, as part of a process of 'triangulation'. This is because no single estimate of productivity can ever tell the complete story on the relationship between inputs, outputs and outcomes. This article therefore presents additional information on Education activity, outputs and outcomes to provide further context for interpreting the estimates of productivity change, for example, recent statistics on average class size, Ofsted inspections, and public assessments. The evidence gleaned from these sources of information should be considered alongside the productivity estimates provided in this article.
- 1.15 Finally, ONS must stress the difficulties associated with the measurement of productivity, particularly in the public sector. ONS and the wider international community recognise that significant analytical work is still needed to make progress in this area. With this in mind, this opening article on Education sets the scene in terms of the statistical information currently available. Future Education productivity articles will continue to bring sources together in a way that continually improves understanding of Education Services productivity.

#### 2. Introduction

2.1 Education is the second largest area of Government spending on public services, following Health. In 2004, Current Expenditure<sup>3</sup> is estimated at £42 billion. ONS publishes aggregate estimates of government expenditure in UK National Accounts: the Blue Book. These estimates form the basis for this article, and are complemented by other sources of information. Whilst

General Government (GG) Education Services covers the whole of the UK, this Education article concentrates on English schools. Future Education productivity articles will extend the analysis to include all GG Education Services in the UK.

- 2.2 DfES is responsible for education in England. The department states that its aim is 'to help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills'.
- 2.3 The focus of this article is on the productivity associated with the money spent, by central and local government, in providing Education Services to the public. Productivity is estimated using National Accounts data on outputs and inputs between 1995 and 2004. A discussion of these data and measures is also provided. In addition, productivity measurement is shown in the context of wider information on Education spending and outcomes as recommended by the *Atkinson Review: Final Report, Measurement of Government Output and Productivity for the National Accounts* published in January 2005.
- 2.4 ONS has drawn this material together from a wide range of sources, complemented by expert advice,<sup>4</sup> according to the principles set out in the National Statistics Code of Practice, particularly regarding relevance, fitness for purpose and production with integrity in the interests of all.
- 2.5 In compiling estimates of Education productivity, ONS has aimed for conformity with international guidance, in particular, the Organisation for Economic Co-operation and Development in *Measuring Productivity* (OECD, 2001); and Eurostat in the *Handbook on price and volume measures in national accounts* (Eurostat, 2001).
- 2.6 The rest of this article is as follows:
  - Section 3 covers Education output measurement
  - Section 4 considers Education outcomes
  - Section 5 considers alternative ways to measure quality of Education output
  - Section 6 provides alternative ways to measure Education inputs
  - Section 7 presents the results for estimates of Education productivity
  - Section 8 provides further evidence to support the process of 'triangulation' to corroborate the measures of output, input and productivity, and the work of government in improving the quality of education
  - Section 9 sets out the next steps to be taken in developing Education productivity analysis.

## 3. Education output in the National Accounts

#### **General government Education Services**

- 3.1 Total Education includes government and private schools, nursery schools, Further Education (FE) and Higher Education (HE). This article examines only those areas of Education Services provided or paid by central and local government, which is approximately 70 per cent of total Education expenditure. Education funded through grants and transfers, FE and HE institutions are excluded (a fuller description of the range of Education Services is provided in the glossary).
- 3.2 General Government expenditure on Education is classified as expenditure by local and central government to provide, or pay for, Education Services in the United Kingdom. This includes government purchases from the public and private sector. The classification includes: government maintained schools and nursery schools, publicly funded nursery places, NHS expenditure on higher education for health professionals and education expenditure on Initial Teacher Training (ITT) courses.
- 3.3 Table 1 shows the percentage of spend on GG Education Services by type of activity or institution. Most expenditure is on maintained schools so this provides a focus of investigation into quality and outcomes in later sections of the article.

## Table 1Percentage of general government expenditure onEducation by type of activity

UK, 2002

| General Government Expenditure                | Percentage of<br>total |
|---|------------------------|
| Government maintained schools:                |                        |
| Secondary                                     | 43.4                   |
| Primary                                       | 41.3                   |
| Special                                       | 6.4                    |
| Nursery schools and classes                   | 5.7                    |
| City Technology Colleges (CTC) & City         |                        |
| Academies (CA)                                | 0.4                    |
| Government funded HE courses:                 |                        |
| Health Professional Courses                   | 1.6                    |
| Initial Teacher Training (ITT)                | 0.6                    |
| Government funded private nursery places:     |                        |
| Private, Voluntary, Independent (PVI) Nursery | 0.7                    |
| Total   | 100.0                  |

Source: Office for National Statistics

#### National Accounts volume measure, 1995–2004

- 3.4 Prior to 1998, the methodology used to measure the volume of Education outputs was based on the assumption that outputs can be estimated as the sum of input costs. This methodology therefore assumed there was no change in productivity over time.
- 3.5 Direct measurement of government Education output (GGFCE<sup>5</sup>) was introduced into the National Accounts in 1998 and then backdated to 1986. The measure relates to the output of the Education Services for England, Wales, Scotland and Northern Ireland. Initially, the output measure used was the number of pupils, with an adjustment of 0.25 per cent each year for quality based on GCSE exam success. Since then the quality adjustment has not been changed and further work is under way to update and improve this methodology. This section examines the estimate of change in Education output over the period 1995 to 2004.
- 3.6 Changes to the original direct measure of Education output include Higher Education courses for health professionals, purchased by the National Health Service (NHS), included in 2004; and in 2005, implementing the recommendations from the Atkinson Review<sup>6</sup> (see Box 1).

#### Box 1

#### Atkinson Review recommendations

| Recommendation 9.1 We recommend<br>that pupil attendance, rather than the<br>number of pupils, should be used as the<br>volume measure of output, and that<br>school cost weights should be updated<br>annually.   | Implemented<br>in National<br>Accounts 2005.             |
|--|--|
| <b>Recommendation 9.2</b> We recommend<br>that ONS should update and revise the<br>quality adjustment factor for schools,<br>using later information about GCSE<br>results, and if possible also information<br>from all parts of the UK.  | Ongoing review,<br>no change<br>to National<br>Accounts. |
| Recommendation 9.3 We recommend<br>that ONS and the four Education<br>departments should continue to work<br>on a longer term revision of the quality<br>adjustment for the schools output<br>measure. This should take full account<br>of results from throughout the UK,<br>measure if possible the quality of<br>education delivered at younger ages<br>rather than relying on examinations at<br>age 16 to proxy the whole Education<br>output, include information about<br>attainment of school pupils who are 16<br>and over, and consider an adjustment<br>to reflect the value of education for<br>future earnings. We regard the sources<br>of information on quality of teaching<br>and class size as useful for assessment<br>in productivity articles rather than the<br>National Accounts measure. | Ongoing review,<br>no change<br>to National<br>Accounts. |

| Recommendation 9.4 We recommend<br>that ONS should introduce a new output<br>measure for Initial Teacher Training<br>courses, using a cost weighted index of<br>student numbers. This should, as soon as<br>possible, include information from the<br>Devolved Administrations, and further<br>work should be done to develop a quality<br>measure.                                  | A new output<br>measure for<br>ITT has been<br>introduced,<br>based on the<br>number of<br>students.<br>Rest of UK<br>included when<br>possible. | _   |
|--|--|-----|
| Recommendation 9.5 We recommend<br>that the health professional Education<br>output measure is updated by using total<br>student numbers, cost weighted by type<br>of course, with UK data added as soon as<br>possible, and working towards a quality<br>adjustment based on Quality Assurance<br>Agency for Higher Education or Higher<br>Education Statistics Agency information. | Output<br>measure<br>implemented<br>in National<br>Accounts 2005,<br>no quality<br>adjustment.<br>Rest of UK<br>included when<br>possible.       | _   |
| <b>Recommendation 9.6</b> We recommend<br>that a new output measure should be<br>introduced for publicly funded private<br>nursery places, including inclusion of<br>information for all parts of the UK and<br>consideration of how to develop a quality<br>measure.  | Output<br>measure<br>implemented<br>in National<br>Accounts 2005,<br>no quality<br>adjustment.<br>Rest of UK<br>included when<br>possible.       | _   |
| Recommendation 9.7 We recommend<br>that ONS and the four Education<br>departments should continue to work<br>together to improve accuracy, timeliness<br>and classification of figures for Education<br>spending, and suitable deflators to<br>measure volume of spending in a way<br>which takes account of changes in the<br>quality of inputs.                                    | Ongoing<br>review.   | - : |
| Recommendation 9.8 We recommend<br>that ONS and the four Education<br>departments should continue to work<br>together on analysis of Education<br>output and productivity change, using<br>National Accounts and other sources, to<br>be published in ONS productivity articles<br>and through development of a satellite<br>account for human capital resource<br>formation.        | Ongoing<br>review<br>and future<br>development<br>needed. First<br>productivity<br>article.  |     |

- 3.7 The changes that are incorporated in National Accounts *Blue Book* 2005 (BB05) were pre-announced in May 2005, together with the impact of the revisions, in the ONS article 'Improvements in the methodology for measuring government output'.<sup>7</sup> The changes, backdated to 1995, both widen the coverage and improve the methodology to the existing volume measure of Education and can be summarised as follows:
  - Previously, pupil numbers had been used to measure Education output. This is now changed to pupil attendance, on the basis that this is a better measure of pupils being taught in schools.
  - The output of educational training of health care staff is improved by including all students. Previously, it had been based on new entrants only. The coverage by type of course and unit cost weights is also improved.
  - An output measure is included for governmentprocured places within private nurseries, based on the number of places filled.
  - An output measure is included for Initial Teacher Training (ITT), based on the number of students.
  - An output measure is included for City Academies and City Technology Colleges. These are schools classified to the central government sector.
  - Scotland and Northern Ireland data are included when possible, where previously England was used as a proxy for UK.
- 3.8 A number of shortcomings and recommendations not yet implemented remain. The main outstanding issue is the need to revise the quality adjustment of output estimates. The current school quality measure is based on England GCSE exam results, which is then used as a proxy for UK. Actual exam results for Scotland, Wales and Northern Ireland therefore need to be included. Also, there is no quality adjustment measure for the nursery and adult Education outputs.

## Measurement of general government Education Services

3.9 The National Accounts Education output figures 1995 to 2004 used in this article are those published in July 2005. The volume measure is constructed by direct output measures, principally of government maintained primary, secondary and special schools, but also nursery schools, under-five provision, Initial Teacher Training and Health Professional courses (Table 2). A quality adjustment based on GCSE exam success is applied to schools. The outputs of these activities are added together and each type of school or course is weighted by cost, producing a cost-weighted index of direct output measures for Education.

#### Table 2

#### Education output measures

#### UK

| Government Expenditure on:                | Volume Measure<br>used:                |
|---|--|
| Schools                                   | Pupil Attendance<br>Quality Adjustment |
| Nursery Schools and Classes               | Pupil Numbers (fte1)                   |
| Nursery free places                       | Number of places filled                |
| ITT <sup>2</sup>                          | Number of students                     |
| Health Professional Courses               | Number of students                     |
| 1 fte: full-time equivalent pupil numbers |  |

TTe: Tuil-Time equivalent pupil numbers
 ITT: Initial Teacher Training courses

Source: Office for National Statistics

Source: Office for National Statistics

#### Trends in pupil numbers, absence and attendance

- 3.10 In this article, and in the National Accounts published in 2005, the volume measure of output for schools is based on pupil attendance. Previously, the output measure was based on full-time equivalent (fte) pupil numbers. The change is made in line with international guidelines<sup>8</sup> on the basis that this provides a better measure of pupils who are being taught in school. The measurement of pupil attendance is derived from information collected on pupil numbers and total pupil absence, authorised and unauthorised.
- 3.11 Over the period 1995 to 2004, the total number of pupils in UK government maintained schools (primary, secondary, nursery and special schools) has increased by 2 per cent. However, in the last three years total numbers have started to decline, by 0.5 per cent in the latest year. This is due to the decline in primary school numbers, pupil numbers in secondary schools continue to increase. Over the period from 1995 to 2004, pupil absence levels have fluctuated from one year to the next but have fallen overall. Pupil attendance, therefore, has

#### Table 3

#### Index for pupil numbers (fte) and attendance

UK, 1995/96-2003/04

Index 2002/03=100

|                                  | N       | umber                                | Atte  | endance                              |
|----------------------------------|---------|--------------------------------------|-------|--------------------------------------|
| –<br>Academic<br>year            | Index   | Change on<br>last year<br>(per cent) | Index | Change on<br>last year<br>(per cent) |
| 1995/06                          | 97.6    | 0.0                                  | 96.8  | 0.0                                  |
| 1996/07                          | 98.5    | 0.9                                  | 98.0  | 1.3                                  |
| 1997/08                          | 99.1    | 0.7                                  | 98.6  | 0.6                                  |
| 1998/09                          | 99.5    | 0.4                                  | 99.3  | 0.7                                  |
| 1999/00                          | 100.0   | 0.5                                  | 100.0 | 0.8                                  |
| 2000/01                          | 100.2   | 0.2                                  | 99.8  | -0.3                                 |
| 2001/02                          | 100.2   | -0.1                                 | 100.0 | 0.2                                  |
| 2002/03                          | 100.0   | -0.2                                 | 100.0 | 0.0                                  |
| 2003/04                          | 99.6    | -0.5                                 | 99.8  | -0.2                                 |
| Change 2003/04 on<br>1995/06 (pe | r cent) | 2.0                                  |       | 3.1                                  |

Source: Office for National Statistics

increased at a slightly greater rate than pupil numbers, increasing over the period by 3 per cent for the UK. Table 3 shows the annual trends.

#### **Quality adjustment**

3.12 In 1998, when Education was first estimated by direct measures, a quality adjustment to the volume measure of output was included. Its basis is that the quality of Educational Services delivered can be proxied by exam success. Based on the trend in GCSE results over several years in the mid-1990s, an estimated quality improvement of 0.25 per cent has been added each year to primary and secondary school measures. Table 4 (as provided in the executive summary as a chart) shows the volume measure published in National Accounts.

#### Table 4

#### General government Education output: volume and growth rates (Chained volume measure index)

UK, 1995-2004

|  | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002  | 2003  | 2004  | Total growth<br>(per cent)<br>1995–2004 |
|--|------|------|------|------|------|------|------|-------|-------|-------|---|
| Volume of GG<br>Education output index<br>(2002=100) | 91.9 | 93.7 | 94.9 | 95.7 | 97.3 | 98.2 | 98.8 | 100.0 | 100.5 | 101.1 | 10.0                                    |
| Growth in<br>GG Education output (per cent)          | 1.9  | 1.3  | 0.9  | 1.6  | 1.0  | 0.6  | 1.2  | 0.5   | 0.6   |       |   |

Source: National Accounts, Office for National Statistics

#### Figure 6



UK, Index 2002=100



2 BB04 refers to UK National Accounts Blue Book 2003

Source: Office for National Statistics

- 3.13 For comparison, Figure 6 shows the Education output measure without the quality adjustment and the measure that would have been used if the 2005 revisions had not been made.
- 3.14 The quality adjustment has been added each year, but the estimate of 0.25 per cent has not been updated. The Atkinson Review recommended that any direct measures of government output needed to capture more adequately the changing quality of the output. DfES and ONS have been examining ways to update and improve the measure of quality. Section 5 reports on the work published by DfES which looks at various ways to measure the quality of school output for England. Future work by ONS will also investigate using full UK data and extending the measurement of quality adjustment in the outputs.

#### 4. Education outcomes

- 4.1 Education systems aim to improve the level of education of the population and government aims to achieve this outcome through expenditure on Education Services.
- 4.2 Immediate benefits stemming from qualifications provided by the education system are economic rewards such as better employment opportunities and higher wages. Outcomes from Education Services include also a variety of wider benefits accruing to society. Among the activities carried out by education systems are, for example, sports, non-exam education, social and communication skills, art, music and drama, special provision for special needs pupils, counselling for pupils, and home work clubs. Schools also provide a range of functions: tuition, care and wider emotional support and training that help pupils become productive adults. They also deliver secondary services,

in particular child-care provision for pupils during school hours. All these activities can deliver wider benefits, for example, a healthier lifestyle and better quality of life, lower levels of crime, which in turn can lead to lower costs to the NHS and the criminal justice system. All these activities are delivered in government maintained schools using school resources financed by general government expenditure and are not reflected in the measured output.

- 4.3 In order to understand more fully the productivity of Education Services, it is useful to consider the outcomes that Education Services activities are designed to achieve. In the DfES publication *Every Child Matters: Change for Children in Schools (2004)*, the department states that 'Pupil performance and well-being go hand in hand.' and aims towards 'helping each pupil achieve the highest educational standards they possibly can'. This section sets out some information on Education outcomes that the education system is targeting. The following is a brief review of key England Education outcomes – it is not intended to be comprehensive – as measured by pupil attainment and pupil attendance.
- 4.4 Pupil attainment. DfES, ONS and other authorities publish a range of education statistics which can provide contextual information on Education productivity. Achievement in GCSE results is a key measure and has improved each year. Figure 7 shows the trend for GCSE results in England from 1995 to 2004. The percentage of pupils achieving 5+ A\* to C grades has increased steadily, from 40 per cent to 52 per cent over the nine years. Figure 8 shows that GCSE Average Point Scores (APS) have also increased, from 34 points to 41 points over the period.

#### Figure 7 GCSE trend, percentage of pupils achieving 5+ A\* to C grades<sup>1</sup>

England, 1995-2004





1 Figures for 2004 are for GCSE and Equivalent qualifications. Figures for 2003 and before are for GCSE and GNVQ only. Figure for maintained schools includes LEA maintained schools, CTCs and, from 2003 onwards, Academies

Source: Department for Education and Skills

#### Figure 8

## GCSE trend, Uncapped average point score per pupil at GCSE and GNVQ<sup>1</sup>

England, 1995-2004



1 Uncapped APS includes all GCSE results. Figures are for GCSE and GNVAQ only. Figures for 2004 were also published on a new points score basis that included approved equivalent qualifications. Maintained schools includes LEA maintained schools, CTCs and, from 2003 onwards, Academies. Average Point Score per pupil was not published in 1995.

Source: Department for Education and Skills

4.5 Key stage test results from 1998 to 2004 are shown in Table 5. The three tests show similar patterns in the average point scores over the years, with a low but steady increase. (For information on Key Stages, see paragraph 5.10).

## Table 5 Key Stage 1, 2 and 3 test results England 1000 2004

| -2004             | Aver  | age point score   |
|-------------------|---|---|
| KS1<br>attainment | KS2<br>attainment   | KS3<br>attainment   |
| 14.6              | 25.6  | 32.5  |
| 14.9              | 26.6  | 32.4  |
| 15.2              | 27.2  | 32.9  |
| 15.4              | 27.2  | 33.5  |
| 15.5              | 27.3  | 33.8  |
| 15.5              | 27.3  | 34.3  |
| 15.5              | 27.5  | 34.1  |
|                   | KS1<br>attainment<br>14.6<br>14.9<br>15.2<br>15.4<br>15.5<br>15.5<br>15.5<br>15.5 | KS1         KS2           attainment         attainment           14.6         25.6           14.9         26.6           15.2         27.2           15.4         27.2           15.5         27.3           15.5         27.3           15.5         27.5 |

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Source: Department for Education and Skills

4.6 Pupil attendance: Reducing pupil absence is another key issue. One of the 2004 PSA targets is to improve levels of school attendance so that by 2008, school absence is reduced by 8 per cent compared to 2003. Figure 9 shows pupil absence rates at maintained schools over the past nine years. The figure shows absence has fluctuated up and down over the years but improvements in the last three years have taken absence in 2004 to the lowest levels since 1995. The Education Service has contributed to these improved outcomes but, in part, they may also be due to external factors such as improved social conditions, greater parental interest, out of school education and other changes.

#### Figure 9 Absence trends

England, 1994/95-2003/04





4.7 To conclude this section, a final remark on the complexity of Education outcomes is in order. On the one hand, government expenditure in Education contributes to wider benefits than increasing the general level of education and exam results, such as healthier lifestyle and better quality of life. On the other hand, there are a number of factors in addition to government expenditure in Education Services which ultimately affect those wider benefits.

#### 5. Measuring the quality of Education

#### **Guidelines for quality measures**

5.1The Atkinson Review set out five principles to be applied in the measurement of government outputs.9 One of these stated that the output of the government sector should be measured in a way that is adjusted for quality. The Eurostat Handbook on price and volume measurement acknowledges the practical difficulty in defining a unit of output. It also recognises the problem of distinguishing output from outcome. The Handbook provides guidance for measuring Education output, stating that it can be defined as 'the quantity of teaching received by the students, adjusted to allow for the qualities of the services provided, for each type of education'. The guidance recognises a number of possible indicators based on 'outcome' and 'output' measures of quality could be used. However, no single recommended method to adjust for quality is made as different education systems can lead to different models for taking quality properly into account.

#### **Quality measures**

- 5.2 DfES and ONS have examined the potential for using alternative approaches for measuring quality, based on:
  - quality of teaching assessments
  - class size
  - pupil attainment
- 5.3 Arguments against using teaching assessments or class size are discussed below. Pupil attainment is considered to be the most appropriate measure of Education output.
- 5.4 One hypothesis is that quality of teaching could be measured through school inspections. In England, this would mean using the quality judgements made about schools in inspections undertaken by the Office for Standards in Education (Ofsted). An advantage of this approach is that inspections cover all aspects of education, not just examination scores. However, there are difficulties using Ofsted results. The inspections are not designed with the intention of producing national results suitable for National Accounts long time series. As Ofsted often reviews and changes its inspection procedures, this makes longer term comparisons difficult.
- 5.5 An alternative approach for measuring quality in education might be to use class size, or an adult/pupil ratio, on the assumption that the smaller the teacher/ pupil or adult/pupil ratio the better the quality of learning. However, clear evidence of these relationships would have to be established, which does not currently seem to be the case.
- 5.6 The effectiveness of reducing class size is the subject of ongoing debate. There is considerable academic research and literature devoted to the subject internationally. Testing for class size effects is a complex problem; different approaches to modelling and lack of good data can lead to different conclusions. Papers by Krueger, Hanushek, Dustmann, Todd and Wolpin published in the *Economic Journal* 2003 (volume 13) highlight the debate on examining the effect of class size. Krueger and Hanushek, two economists in the US, form different views based on their research. Hanushek argues no strong or consistent relationship between school inputs and student performance. In contrast, Krueger's research, based on the STAR<sup>10</sup> experiment, indicates an effect of changes in class size. Results from the experiment on 11,600 students showed primary school pupils in a class size of 12 performed better than a class size of 24. However, these results relate to large changes in class size.
- 5.7 Modelling the relationship between school inputs, such as class size, and pupil achievements, known as the Education Production Function (EPF), is an area of considerable interest and research. Todd and Wolpin considered methods for specifying and modelling

the EPF. They conclude that the variety of modelling specifications and data limitations can create different conclusions. Dustmann concludes that the evidence seems ambiguous; 'shortcomings of data sources and the lack of a unified conceptual framework' are partly responsible for inconclusive results on class size effects and outcomes from non-experimental studies may be misleading. The current conclusion from research is that large changes in class size have the potential to impact on pupil attainment. For smaller changes, however, the effect may not be material.

- 5.8 Work in the UK looking at small changes in class sizes generally does not show enough variation for significant effect. DfES studies of maintained schools in England conducted after 1998 take the issues outlined above into account. Their evidence suggests that class size effects may differ according to the year group of the class, and the pupil's ability, as well as the subject taught. An example where class size effects were evident was progress in literacy and maths in reception, with children in smaller classes making more progress than children in larger classes.
- 5.9 The Atkinson Review recommended (Recommendation 9.3) that ONS and the four Education departments should continue to work on a longer-term revision of quality adjustment for the schools output measure. The review regards the sources of information on quality of teaching and class size as useful for a wider assessment in productivity articles rather than for use in the direct construction of the National Accounts measure. They also provide an important alternative source of evidence of output and productivity which is discussed in Section 8 on triangulation.
- 5.10 DfES has focused to date on quality adjustment indicators mainly relating to the attainment of pupils in GCSEs and the Key Stage<sup>11</sup> tests that are taken at four stages of the compulsory education phase. Several methods have been considered and published in a discussion paper on the DfES website<sup>12</sup> and are summarised here. DfES compares alternative qualityadjustment measures and examines a valuation of Education output in monetary terms. The work described in this article could usefully form the basis for a public discussion to inform a measure that ONS could use in the longer-term.
- 5.11 DfES considers the following alternative ways of measuring quality using pupil attainment:

#### **Pupil Attainment at GCSE**

- Method 1: proportion of GCSE pupils who achieve a threshold level of attainment, taken to be 5 or more A\*-C grades
- Method 2: GCSE average point scores (APS)

Pupil progress between Key Stages:

- Method 3: pupils' progress between each of the four Key Stages of the English compulsory education system
- Method 4: adjusted pupils' progress between each of the four Key Stages

ONS and DfES recognise the advantages and drawbacks for each method.

#### GCSE attainment at the end of compulsory schooling

5.12 The main advantage of using Methods 1 and 2 is that they can make use of the long- term trend available for GCSE results. Also, the methods are relatively simple to use, the methodology and data will be transparent and easier for all UK countries to implement. But a concern with using Methods 1 and 2 is that these result in measuring only one of the eleven cohorts of pupils in any year and is only obtained at the end of 11 years compulsory education. Ideally, it is better to have a measure that captures the progress made by all pupils in education in any given year.

#### Progress between Key Stages of the education system

- 5.13 An alternative quality adjustment approach is to measure progress at the end of the four Key Stages of compulsory education. The pupil progress method calculates the output of the education system by measuring the progress made by each cohort between the beginning and the end of each Key Stage. Method 3 is a measure of progress derived from the difference between the average points score for a cohort of pupils at one Key Stage and their average points score at the next Key Stage. Method 4 provides one further step, where total progress made at the end of a Key Stage are apportioned back to each year of that Key Stage.
- 5.14 However, whilst Key Stage progress Methods 3 and 4 have possible advantages over Methods 1 and 2, there are some drawbacks too. In particular, they are calculated making a number of possible assumptions that would require further validation work. It also becomes more difficult to produce a UK measure because of the different school examination systems in the different countries.
- 5.15 Figure 10 shows GCSE threshold (Method 1) and adjusted Key Stage (Method 4), and compares them with the current National Accounts measure. Methods 2 and 3 are not shown as they lie between the range for Methods 1 and 4. During the period 1998 to 2004, output increases by an annual average of around 3 per cent for the GCSE threshold measure, but by less than 1 per cent per year for the alternative measures.

#### Figure 10

## Quality adjusted output, 1998–2004



Education output in National Accounts compared with new measures which are quality adjusted for GCSE results or Key Stage progress and earnings growth 1.5 per cent.

Source: Office for National Statistics

#### **Real Earnings Growth**

- 5.16 A key consideration is the weight to be given to the fact that educational attainment becomes increasingly valuable in a growing and increasingly productive economy. This follows the suggestion in the Atkinson Review for an approach based on the general principle that the value of output from government services rises with the real value of private assets and income (see Principle C in section 4.39 and sections 9.33 and 9.34 in the *Atkinson Review Final Report*).
- 5.17 The Atkinson Review therefore recommended that ONS should give serious consideration to adjusting the output estimate to account for the trend rate at which real earnings have risen. The Atkinson Review felt that to ignore this effect would miss an important contribution to public output (section 9.34).
- 5.18 At the same time, Atkinson recommended caution in implementing this recommendation before ensuring that the underlying principle receives wide support, and in particular the fact that no other country has yet to adopt such an adjustment for real earnings growth. ONS will be working with DfES to consult on this point specifically, in the context of wider discussion on improving the measurement of Education output. One of the key considerations will be the extent to which movements in real earnings over time can actually be attributed to DfES, similar to the issues concerning the impact of DfES outputs on total Education outcomes.

#### Figure 11



UK, Index 2002=100



Source: Office for National Statistics

- 5.19 Figure 11 shows the new Education output estimates if an adjustment of 1.5 per cent a year – the Atkinson Review estimate – was introduced to account for real earnings growth.
- 5.20Returning back to the main measures of quality adjustment, if pupil attainment at Key Stages and GCSE is used, then discussions about potential grade drift will need to be addressed. An example of concerns is seen in recent work by Tymms (2003), which questions the validity of statutory tests as a way of measuring quality improvements. Two patterns in the data, according to the author, are surprising. First, test score results rise fast and steadily up to 2000, then suddenly they become flat. Second, mathematics and English results show a very similar trend, whereas past research has shown schools have different effects on mathematics and reading. Using the results from independent sources, the author suggests that a possible explanation for the rapid rise in standards over 1995-2000, is the fact that children have been taught test techniques and/or are being taught to the test. The pattern for mathematics and English is questioned using independent data showing diverging results for English (with writing improving more than reading) and for mathematics with some studies showing a rise close to statutory results and some showing no change at all. Tymms concludes that statutory Key Stages exam results are not appropriate for monitoring standards for various reasons, for example as new tests are used every year there is a limit to the accuracy with which standards can be measured.
- 5.21 In England, the Qualification and Curriculum Authority (QCA) is responsible for regulating the public examination system. QCA<sup>13</sup> maintains and develops the national curriculum and associated

assessments, tests and examinations. QCA have published a report on the Comparability of national tests over time: key stage test standards between 1996 and 2001, Massey et al (2003). According to experimental evidence for Key Stage 1, both reading comprehension and mathematics 1999-2000 tests appear to be at least as demanding as the 1996 version. Evidence shows that the threshold in the 2000 version appear to have made heavier demands on the children than the 1996 version, suggesting that improvement observed at national level are underestimating the learning gains in schools. As for Key Stage 2, outcomes are not consistent across subjects. English tests give evidence of substantial improvement but national results might overestimate the progress because of divergence in standards. For mathematics there is no indication of disparity in standards, validating national improvement; and only a small part of the very large improvement in childrens' performance on Key Stage 2 science tests may be the product of a shift in standards. For Key Stage 3, English tests standards have been successfully maintained; in mathematics there is some disparity due to the introduction of a new element (mental arithmetic) that may have affected results mainly at the lower range of attainment; and quite substantial gains in Key Stage 3 science tests reported nationally were merited. Overall, the report shows evidence that test standards over the period 1996-2000 have been maintained in most subjects/key stages, hence supporting the view that performance levels in schools have risen, reflecting improvements in teaching and learning.

- 5.22 The Atkinson Review report on discussing with the QCA their work on setting, maintaining and monitoring examination standards. The examination bodies have rigorous procedures in place to ensure that standards remain constant year on year and the role of QCA is to ensure the consistency of those standards over a longer period. QCA has in place a rolling programme of standards reviews which looks at the syllabuses, question papers and candidates' work over time. QCA's view was that, over the last five years, standards in England have remained constant. However, in the longer-term it is more difficult to guarantee maintenance of standards, because of major changes in syllabuses. Where QCA's monitoring of examination evidence suggests any changes in standards, action is taken to set appropriate standards in the following year.
- 5.23 Concerns about standards, specifically those raised by Tymms, have been the subject of recent communications between the DfES and the Statistics Commission. The DfES is clear that it does not accept that the rise in test scores overstates a rise in standards. The DfES argues that the standards assessed are the attainment targets of the National Curriculum and none of the evidence cited effectively calls into question the success of QCA in maintaining those standards over time. They are confident that standards have risen substantially and that there is good national and international evidence for the improvements.

5.24 Another more complex method, not explored at this stage by DfES, would be to use the National Pupil Database to link the attainment of individual pupils across the four Key Stages. This would allow a measure based on the actual progress made by every pupil to be produced, essentially the sum of individual progress made between stages. This approach may be the most appropriate but the application will require further work and development. It would also be more difficult to produce a UK measure which includes similar results from the different countries.

#### Value of Education

- 5.25 Considerable economic research has investigated the value that can be attached to education. A recent book by Stephen Machin and Anna Vignoles, What's the good of Education? (2005), analyses both the private and social returns to education and the different ways in which they can be defined and measured. They consider some of the issues that have been investigated in the literature, particularly the fact that using the simple wage difference between low and high educated employees can overestimate the returns to education in that an inherent higher productivity of those who choose higher education will allow them to extract a higher salary anyway. Also, for a given amount of education, individuals can exploit it differently resulting in non-homogeneous returns to education. The authors present a method that endeavours to take into account these measurement difficulties using the 'British child development study' dataset. Individual returns of education (for men) are calculated as the incremental average wage return from achieving a qualification. Compared with leaving school at 16 without qualifications, the average return to O levels is 18 per cent, to A levels is 24.2 per cent and to HE is 48.4 per cent. These results draw on a previous academic study (Blundell et al, 2005).14
- 5.26 Further evidence is available in the research paper Skills and productivity in the UK using matched establishment, worker and workforce data by Haskel et al (2003) published by CeRIBA.<sup>15</sup> The authors matched the DfES Employer Skills Survey (ESS), the ONS Annual Business Inquiry (ABI), and the New Earnings Survey (NES). They ask what fraction of variation in productivity is associated with variation in skills. They found that skill measures based on education qualifications affect productivity at work. The preliminary results in this article show that high productivity is significantly associated with higher levels of human capital measured in many different ways, but particularly using skills. They also conclude that the experience part of human capital is less important in determining productivity than the education and other unobservable parts of human capital.

#### Labour Market Value

- 5.27 DfES also investigated the value of education in terms of future earnings in the paper 'Measuring Output from the Education System', using data from the Labour Force Survey. One approach is to use the labour market value of qualifications over the lifetime of individuals possessing them. In theory, this can be measured as the estimated lifetime earnings of individuals with different levels and combinations of qualifications. The addedvalue of Education output can then be viewed as the difference in the lifetime earnings of those who have had no education, with those educated or qualified to a particular level. However, there are a number of assumptions and concerns with using such a measure which would need to be investigated. The key points are listed below:
  - The wage premium used is based on a comparison of wages for those with O levels and those who leave school without qualifications. But this may underestimate the true return to education since pupils leaving school without qualifications may have benefited from many years of education and may have earned much less if they had never been to school. This suggests a much larger value of education would be required.
  - A key limitation of the method is the time lag needed to detect properly changes in the lifetime value of Education outputs over a 40-year working life.
  - Education confers many other benefits that are likely to be excluded from calculations.
- 5.28 Using the labour market value methodology, DfES have calculated a conservative estimate of the additional lifetime earnings from having five A\*–C GCSEs, compared to no GCSEs, (using 2003 data) to be around £275,000 for one individual. However, as National Accounts are concerned with changes over time, any approach would need to reflect accurately annual changes in the value of Education in all combinations of qualifications on leaving school. It would also need to take into account various other factors, such as changes in the probability of being in employment.
- 5.29 Finally, the education system also provides, as a secondary output, a child care service to parents which allows them to return to the work place. DfES provide preliminary estimates of the value of child care service to be in the region of £15bn to £20bn per annum. This is based on school hours and the value parents attach to childcare in terms what they are willing to pay for it on the open market.

C million

#### Table 6 Expenditure on general government Education inputs, current prices

| 1 | IV |  |
|---|----|--|
| U | ٦N |  |

| UK                  |        |        |        |        |        |        |        |        |        | EININON |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
|                     | 1995   | 1996   | 1997   | 1998   | 1999   | 2000   | 2001   | 2002   | 2003   | 2004    |
| Labour              | 17,960 | 18,224 | 18,777 | 19,516 | 21,015 | 22,808 | 25,155 | 27,269 | 29,384 | 31,949  |
| Goods and services  | 6,495  | 6,781  | 6,899  | 7,287  | 7,366  | 7,585  | 7,576  | 9,060  | 9,231  | 8,765   |
| Capital consumption | 1,055  | 1,054  | 1,060  | 1,075  | 1,103  | 1,128  | 1,169  | 1,206  | 1,261  | 1,312   |
| Total               | 25,510 | 26,059 | 26,736 | 27,878 | 29,484 | 31,521 | 33,900 | 37,535 | 39,876 | 42,026  |

Source: National Accounts, Office for National Statistics

#### 6. Education inputs in the National Accounts

#### Current expenditure measure, 1995-2004

6.1 General Government expenditure is divided into three components: labour, goods and services, and capital consumption. These three types of input are defined in National Accounts as compensation of employees, intermediate consumption (or 'other') and non-market capital consumption. This section examines the three categories of expenditure in Education. Table 6 presents the latest estimates of the Education components at current prices, published in the *Blue Book* 2005. In 2004, at current prices, labour accounted for around 76 per cent of Education inputs, goods and services for 21 per cent and capital consumption for 3 per cent.

#### Labour

- 6.2 Labour is by far the biggest area of Education expenditure. It accounts for around three-quarters of Education inputs. In 2004, around £31.9 billion current expenditure was on labour.<sup>16</sup> Teaching staff account for a large proportion of the education labour force, but expenditure has also increased on the number of all types of school support staff in England, for example, the number of teaching assistants has doubled in recent years.
- 6.3 Labour input also includes support for education systems, policy development, management, standards setting, Human Resources, finance, IT, capital investment, research and development, professional education and training. These activities do not all deliver direct education for students, but nevertheless are essential for the effective functioning of the education system. All these activities are delivered using resources financed by general government expenditure. For the National Accounts, expenditure on labour is available from the accounting data maintained by HM Treasury, ODPM, and the Education administrations.

#### Intermediate consumption of goods and services

6.4 In 2004, around £8.8 billion, 21 per cent of current expenditure in Education was spent on goods and services. Intermediate consumption is goods and services used up in producing Education Services output in any given year. This includes goods and services such as teaching aids, electricity and other utilities, building maintenance, and transport. Government purchases of ITT, health professional courses and private nursery places are also included here. For the National Accounts, expenditure on intermediate consumption is available from the accounting data maintained by HM Treasury, ODPM and the Education administrations.

#### **Capital consumption**

6.5 A small proportion, 3 per cent, of Education current expenditure, is attributable to the use of capital, in 2004 around £1.3 billion. The Education Service buys goods that can be used repeatedly or continuously over the longer-term, such as buildings, computers and vehicles. Goods that last over a number of years are classified as capital items. The value of the capital investment is spread over a longer time period than just the year in which the item was purchased. Capital consumption estimates the amount of capital that is used in a year.

#### Pay and price indices

- 6.6 Over the nine years from 1995 to 2004, total current expenditure on Education increased by around 65 per cent. However, the cost of inputs over time also includes changes due to price increases. In order to compare inputs over time, price inflation needs to be excluded from current expenditure by using suitable cost deflators. This produces estimates of constant input prices which will then show changes in the quantity of inputs that are needed for productivity estimates. This section explains how constant input prices are calculated. Several pay and price indices that could be used as deflators are considered.
- 6.7 Simply applying the GDP deflator is less appropriate than using deflators specific to education and the type of procurement. More detailed and specific deflators provide a better understanding of the change in the quantity of inputs going into Education. Measures of input prices are identified that are more closely related to the individual goods and services used in Education.
- 6.8 Changes in the quantity of labour are calculated by deflating the current price expenditure figures using suitable labour cost deflators. This section explains which deflators were used and what improvements

can be made. Currently, these deflators relate to the Education Services in England only and are used as a proxy for the whole of the UK. Ideally, indicators for the whole of the UK should be used.

6.9 ONS has reviewed the availability of suitable deflators for pay costs. Labour costs can be deflated by using pay indices, but indices measuring the growth in earnings are preferred to simple pay settlements since the earnings growth also includes any pay drift.<sup>17</sup>

#### **Average Earnings Index**

- 6.10 Table 7 shows the different deflators used in producing a volume measure of labour for Education.
  - The public sector average earnings index (AEI)<sup>18</sup> is used to deflate Central Government labour costs.
  - The local authority education pay index is used to deflate local authority pay.
  - Expenditure on teachers pay is deflated using data obtained from the DfES database of teachers records (DTR). The DTR holds information on the average earnings of all teachers in England and was used to obtain measures of changes in the average earnings for teachers.
  - The public sector education specific indicator has been recently constructed by ONS. The series only covers the last five years but will provide a better deflator than public sector AEI in the future.
- 6.11 Two methods are used to deflate labour expenditure:
  - Method 1 uses the public sector AEI for changes in central government pay and the local authority (LA) education pay index for changes in local authority pay.
  - Method 2 uses a separate earnings index for teaching staff (based on the DfES data on teachers' earnings), which accounts for around half of labour expenditure.

For non-teaching LA staff, the local authority education pay indexes are used. Non-teaching staff includes educational support staff, premises-related staff, administration and clerical staff. Again, public sector AEI is used to deflate central government expenditure.

6.12 Detailed expenditure on labour is currently unavailable for central government. Departments and agencies within central government expenditure include: DfES; Ofsted; QCA/SCAA; Teacher Training Agency; NCSL; BECTA; and Funding Agency for schools.

#### Improving pay deflators

6.13 The education specific AEI has been recently constructed by ONS. The time series for these data only covers the last five years but should be considered as an alternative in the future. Further improvements would be to produce more detailed employee group deflators, particularly as the number of all types of school support staff in England has increased in the period 1997 to 2004, with the number of teaching assistants doubling. The increased expenditure on these groups as a percentage of total Education has increased the need to deflate each group separately.

#### **Goods and Services Indices**

6.14 Deflators are also required for other goods and services consumed in educating pupils and students. Currently, a combination of Producer Prices Indices and the Retail Price Index excluding mortgage interest payments (RPIX) are used as deflators. This composite index is used to deflate the expenditure.

#### Improving goods and services deflators

6.15 This article reports some progress has been made in finding better pay and price indices but further progress could be made. The ideal method for deflating goods and services would be to apply specific price indices on a product-by-product basis. Also, better

| Pay deflators                |      |      |      |      |      |      |      |      |      |         |  |
|------------------------------|------|------|------|------|------|------|------|------|------|---------|--|
| UK, 1995–2004                |      |      |      |      |      |      |      |      |      | Pay inc | dex 2002=100   |
|                              | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004    | Average<br>annual<br>percentage<br>change<br>1995–2004 |
| Local Authority Education    | 77   | 79   | 82   | 85   | 89   | 92   | 96   | 100  | 108  | 110     | 4.8  |
| Public Sector AEI            | 78   | 80   | 82   | 84   | 88   | 91   | 96   | 100  | 105  | 110     | 4.6  |
| Database of Teachers Records | 76   | 78   | 80   | 82   | 85   | 89   | 94   | 100  | 107  | 111     | 5.1  |
| Education AEI                |      |      |      |      |      | 91   | 96   | 100  | 106  | 109     |  |

Source: Office for National Statistics

Table 7

#### Office for National Statistics 27

#### Table 8

#### Annual growth in the volume index of Education use of capital, central government and local authorities UK, 1998–2004 Annual growth

|                     |      | Volume index use of capital |      |      |      |      |      |      |      |  |  |
|---------------------|------|-----------------------------|------|------|------|------|------|------|------|--|--|
|                     | 1996 | 1997                        | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |  |  |
| Capital consumption | -3.7 | -0.3                        | 0.3  | 0.7  | 0.5  | 1.4  | 1.4  | 2.0  | 1.8  |  |  |
| Capital services    | 0.5  | -0.1                        | -0.4 | 0.4  | -1.2 | 0.8  | 1.0  | 1.9  | 1.9  |  |  |

Source: Office for National Statistics

price deflators should be used to measure movement in the cost of the purchase of Higher Education courses and nursery places. The Atkinson Review created a set of criteria for assessing new deflators. One of the criteria was comprehensiveness. Some of the deflators relate to England but are used as a proxy for the whole of the UK. Ideally, in the future, deflators for the UK, not just England, should be used.<sup>19</sup> Future work will focus on the development of improved deflators by product.

#### **Use of Capital**

6.16 A small proportion, 3 per cent, of Education expenditure, is attributable to the use of capital. Two approaches are considered to estimate the use of capital. One approach, used in previous estimates of productivity, takes the ONS deflated measure of capital consumption. The annual change is shown in the table below. A second approach, discussed in the Atkinson Review, uses a measure of capital services, that is the 'rent' paid on the use of capital. The ONS experimental estimate of capital services in Education, in local and central government, is shown in the table below. In this article the two approaches are considered.

## Estimates of the volume of Education inputs, 1995–2004

- 6.17 Table 9 presents four estimates of the volume of general government Education inputs, calculated by deflating the current price expenditure on Education using the different sources of information, methods and assumptions explained throughout this section.
  - Method (1) uses the local authority pay index for local authority pay, the public sector AEI for Central Government pay and deflated current consumption for use of capital.
  - Method (2) is the same as Method (1) except that the use of capital is measured by capital services.
  - Method (3) uses a separate earnings index for teaching staff which accounts for around half of all labour expenditure and current consumption deflation.
  - Method (4) is the same as Method (3) except that use of capital is measured by capital services.

The overriding conclusion is that these different methodologies make little difference to the estimates overall.

#### Table 9 Estimates of Education Input

UK, 1995-2004

|                             |      |      |      |      |      |      |      |      |      |      | Average    |
|-----------------------------|------|------|------|------|------|------|------|------|------|------|------------|
|                             |      |      |      |      |      |      |      |      |      |      | annual     |
|                             |      |      |      |      |      |      |      |      |      |      | percentage |
|                             |      |      |      |      |      |      |      |      |      |      | change     |
| Method                      | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 1995–2004  |
| 1: Previous method          | 84   | 84   | 84   | 85   | 87   | 90   | 94   | 100  | 100  | 103  | 2.5        |
| 2: Include capital services | 85   | 85   | 85   | 86   | 88   | 91   | 94   | 100  | 100  | 103  | 2.4        |
| 3: New teachers' pay index  | 85   | 85   | 85   | 86   | 88   | 91   | 94   | 100  | 100  | 103  | 2.4        |
| 4: New teachers             |      |      |      |      |      |      |      |      |      |      |            |
| and capital services        | 85   | 86   | 86   | 87   | 89   | 92   | 95   | 100  | 101  | 103  | 2.3        |

Source: Office for National Statistics

#### 7. Measurement of Productivity

- 7.1 Productivity, the focus of this article, is the ratio of outputs over inputs, all in volume terms. Equally important is how this ratio moves over time to reflect productivity changes. The productivity measure needs to take into account changes in the prices of inputs (to estimate the volume) as well as the appropriate quality adjustment of outputs. This section presents estimates of productivity based on the information already presented in sections 3, 5 and 6 on Education Services outputs and inputs.
- 7.2 Whilst there is a single series on Education Services outputs in National Accounts, a number of output and input measures are discussed in this article. Estimates of the change over time in Education Services productivity are therefore sensitive to the sources, methods and assumptions used to calculate Education Services outputs and inputs.
- 7.3 Over the period from 1995 to 2004, the current National Accounts estimate of output has grown by an annual average of around 1 per cent and Education Services inputs have grown by an annual average of around 2 per cent.

#### Figure 12

## Output and input trends 1995–2004, consistent with the National Accounts output measure

UK, 1995-2004



Source: Office for National Statistics

- 7.4 The output and inputs figures used for estimates of productivity in Education Services are still developing so caution is needed when interpreting these figures (see sections 3 and 6 on Education Services output and input measures).
- 7.5 Figure 13 shows the productivity estimates for 1995–2004, on this basis. The estimate for productivity change over the period is an annual average of around -1 per cent. The estimate uses the output measure published in National Accounts 2005 and the new volume measure of input described in section 6. This

measure includes a new index for teachers' pay and a new measure of capital services. But as the discussion in section 6 implies, the exact input measure used, of those considered, would make little difference.

#### Figure 13

## Productivity measure 1995–2004, consistent with current National Accounts

UK, 1995-2004

Index, 2002=100



Source: Office for National Statistics

- 7.6 Figure 14 shows the range of productivity estimates for Education Services using the same new estimate of input for 1998–2004 but using the new output measures proposed by DfES as discussed in section 5:
  - one that uses the GCSE threshold method (Method 1)
  - the other that uses adjusted Key Stage progress (Method 4).

#### Figure 14

#### New quality adjusted measures of productivity 1998–2004: without earnings adjustment

UK, 1998-2004

Index, 2002=100 115 Adjusted KS progress 110 105 GCSE threshold 100 95 90 85 . 1999 1998 2000 2001 2002 2003 2004

Source: Office for National Statistics

7.7 Figure 15 shows the range of productivity estimates for Education Services using the same new estimate of input for 1998–2004, the new output measures proposed by DfES as discussed in section 5, but now considers the impact when outputs are adjusted for 1.5 per cent real earnings growth.

#### Figure 15

## New quality adjusted measures of productivity, 1998–2004: with earnings adjustment

UK, 1998-2004





7.8 It is clear the results are sensitive to the exact methodology used to measure output. Using productivity measures without earnings adjustment, the GCSE threshold method would be estimated as virtually unchanged over the period. The adjusted Key Stage method would lead to an estimated annual average change in productivity of around -2 per cent. (The other two methods would give intermediate results.) Adjusting these estimates for real earnings growth suggests productivity may have changed by an annual average of around +2 per cent over the period for the GCSE threshold method, and for the adjusted Key Stage method, the change in productivity would have been -0.5 per cent annually, on average.

#### 8. Triangulation

#### Wider productivity information

8.1 The productivity figures that appear in this article are the best estimates currently available using data from the National Accounts and other sources investigated so far by ONS. As explained in this article, the methodology for compiling these estimates has been improving over the last few years, and work is continuing to improve them further. Triangulation aims:

- to help corroborate the productivity story. Does additional information evidence support or contradict the implied productivity path from the estimated output and input path?
- to help users understand the productivity figures by providing additional information to give a wider picture of productivity in Education Services that has not been shown in compiling the Education productivity figures themselves.
- 8.2 The Atkinson Review regarded the sources of information on quality of teaching and class size as useful for helping this process of triangulation rather than for direct inclusion in the National Accounts measure (Atkinson Review recommendation 9.3). In this section, class size and assessments on quality of teaching are examined. Other sources of evidence also include public satisfaction surveys, departmental objectives to improve the quality of education, PSA targets and efficiency improvements.

#### **Class size**

- 8.3 There are different views and findings from research examining the benefits of class size alone on pupil attainment, as discussed in section 5 above. However, it is recognized that smaller classes and higher adult/pupil ratios can benefit some pupils, in particular younger children and children with learning difficulties (see also Section 5.5 to 5.8). Class sizes have reduced slightly over recent years, but there are no plans to implement further reduction. Infant school (for five, six and seven year olds) class sizes have already been reduced to a statutory maximum of 30 from September 2001 as part of the drive to raise standards in schools in England. Schools in recent years have also taken on a greater number of classroom support staff, increasing the adult/pupil ratio. Support staff can directly help pupil learning and can also take some of the administration work load from teachers to increase teachers' time with pupils.
- 8.4 The average class size in both primary and secondary schools increased from 1995 to 2000 but has reduced since 2000. Figure 16 shows the trend from January 1995 to January 2004 in England. The average size of a primary school class in England, taught by one teacher, increased from 27 pupils in 1994 to 28 pupils in 1998. Since 1998 it has fallen steadily to 26 pupils in 2004. The average size of a secondary school class taught by one teacher has remained steady at 22 pupils over the period.

#### Workforce initiatives

8.5 The number of support staff in maintained schools in England who provide additional learning resources within the classroom more than doubled between 1996 and 2004. In 2004 there were 189,000 support staff in classrooms in maintained schools in England. The increase in the number of support staff occurred in all types of school, the largest percentage increase (136 per cent) was in secondary schools. Most support staff work in primary schools, accounting for the placement of 57 per cent of these staff in 2004. An evaluation in 2002 of the impact of teaching assistants in primary schools found that teachers value their support and appreciate the benefits of having another adult in the classroom (source: DfES and ONS *Social Trends*).

#### Figure 16

#### Average class size, primary and secondary school

England, 1995-2004



#### **Ofsted inspections**

8.6 The inspections by Ofsted provide an important source of information on the overall effectiveness of the Education system in England. Ofsted inspects all aspects of the Education system in schools, not

#### Figure 17

#### **Ofsted results – Primary Schools**



Teaching over time: school level judgements (percentage of primary schools)

These figures have been rounded and may not add up to 100 per cent.

#### Source: Ofsted

just the GCSE and Key Stage test results. Ofsted inspect a large sample of schools in England each year and the published results are weighted so that they are representative of all schools. The trend in the assessment of schooling can be seen as an alternative source for examining the changes in the quality of teaching in Education. It therefore provides complementary evidence to exam and test results for the quality of output in the whole school system.

- 8.7 The results of the Ofsted inspections are published in the *Annual Report of Her Majesty's Chief Inspector* of Schools 2003/04.<sup>20</sup> David Bell, Her Majesty's Chief Inspector of Schools, discusses measuring improvement and how Ofsted's data, looked at over time, could be helpful in coming to conclusions about the progress being made in English education.
- 8.8 The overall trends from the report show a small improvement in recent years, with around 69 per cent of schools assessed as good or better in 2003/04 compared to previous years. The assessments on teaching provide valuable evidence on the quality of teaching. The inspection of primary schools found teaching and learning were good or better in just under three quarters of schools and the challenge remains for the rest to improve their teaching from satisfactory to good. Figure 17 shows the judgements on teaching in primary schools over the period 1999 to 2004. Changes that have been made over time in the way Ofsted reports on schools means that long-term trends are difficult to interpret. But it is possible to interpret progress made within each change, or framework period.

### Teaching in lessons over time in primary schools (percentage of lessons in primary schools)



- 8.9 Ofsted inspection of secondary schools found:
  - Teaching is good or better in almost three-quarters of schools but unsatisfactory in nearly a tenth. Often these schools face particular challenges in recruiting and retaining well qualified teachers, particularly in mathematics and science.
  - Leadership and management overall are good or better in three-quarters of schools.
  - Almost all school sixth forms are effective and provide successfully for their students, especially those taking A level courses.
  - Attendance has risen slightly overall, but despite increased efforts is still unsatisfactory in just over a quarter of schools.
- 8.10 Figure 18 shows the judgements on teaching in secondary schools over the period 1997 to 2004. Again, changes that have been made over time in the way Ofsted reports on schools means that long-term trends are difficult to interpret. But it is possible to interpret progress made within each change, or framework period.

#### **Public assessment**

8.11 The British Social Attitudes Survey 2002 produced some key findings relevant to school level education, including views on priority spending, on tests and class-work, the quality of primary and secondary education, and on the teaching profession. When asked about basic skills, 70 per cent of respondents thought that schools did very or quite well at teaching young people reading, writing and arithmetic, compared

#### Figure 18

#### **Ofsted results – Secondary Schools**

Teaching in lessons over time in secondary schools (percentage of lessons in secondary schools)



to 15 years previously when 56 per cent held this view. Just fewer than half of respondents thought secondary schools did well in preparing young people for work and bringing out their natural abilities, an improvement from 1987 when only 30 per cent assessed schools positively in these categories. The survey indicated that only a minority believe that schools are getting worse. In 2003, 37 per cent of adults in Great Britain thought that smaller class sizes would be the most useful way to improve primary education. Reducing class sizes was also seen as the best way of improving secondary education, followed by better quality teachers and more school resources.

8.12 The Ofsted report on inspections (2003/04) found that parents are very or highly satisfied with their children's school in over 80 per cent of primary schools, 76 per cent of secondary schools and 90 per cent of special schools. This information is taken from parental questionnaires completed in advance of inspection.

#### Improving the quality of Education

- 8.13 The DfES publication Every Child Matters: Change for Children in Schools outlines key developments and improvements for a wide range of outcomes in schools. The publication explains how the new Children Act 2004 forms the basis of a long-term programme of change<sup>21</sup> with key objectives for children to:
  - be healthy
  - stay safe
  - enjoy and achieve
  - make a positive contribution
  - achieve economic well-being.



#### Teaching over time: school level judgements (percentage of secondary schools)

- 8.14 The changes being promoted include:
  - developing extended services in schools to help pupils achieve
  - building stronger relationships with parents and the wider community
  - 'supporting closer working between universal services like schools and specialist services, so that children with additional needs can be identified earlier and supported effectively'
  - future school assessment to include the importance of pupil well-being
  - workforce remodelling to encourage more integrated working
- 8.15 The policy on extended schools (that open for longer hours and offer a range of services for children of different ages) focuses on the delivery of a range of services and experiences for children that are not just concerned with exam results. In these and similar areas, extra resources have contributed to improvements in student experience, childcare or unmeasured skills development. It is therefore possible for increased investment in these areas not to show up (at least immediately), in exam-based productivity figures. Information is not yet available to examine the results of the changes.

#### Public Service Agreements (PSA) targets

- 8.16 The Public Service Agreements for DfES include targets for schools 'to raise standards and tackle the attainment gap in schools: to raise standards in English, mathematics and science and to improve school attendance, and to improve the school level performance of pupils achieving equivalent of 5 GCSEs at grades A\* to C'.
- 8.17 For primary schools, substantial improvements towards the targets have been achieved both in English and mathematics, raising the percentage of 11 year old children attaining Key Stage 2 level 4/5 or above (see Table 10). For secondary schools, the figures show a fast increase in the percentage of 14 year old children

achieving level 5 or above (KS3) in all subjects with mathematics, English and science very close to the target.

- 8.18 As for GCSE results, the Key Stage 4 target has two elements:
  - to raise attainment such that by 2008, 60 per cent of those aged 16 achieve the equivalent of five or more GCSEs at grades A\*-C
  - in all schools at least 20 per cent of pupils to achieve this standard by 2004, rising to 25 per cent by 2006 and 30 per cent by 2008.

Good progress is being made on both. In 2004, 53.7 per cent of pupils achieved 5 or more GCSEs or equivalent at grades A\*–C (in 2005 the provisional figure is 55.7 per cent), and there were 71 schools below the 20 per cent floor target.

- 8.19 The PSAs include commitments to enhance the take-up of sporting opportunities by school age children and to improve their attendance in schools. The Schools Partnership survey published in 2004 found that 62 per cent of 5–16 year old spent at least two hours each week in high quality physical education and school sport against a target of 75 per cent by 2006. Some of these education aims and targets are relevant to the output measures, others are broader than the outputs measured in National Accounts.
- 8.20 The PSA framework includes a considerable emphasis on improving the outcomes for all children in order to improve equity in education. For example, targets are set on the academic performance of certain vulnerable children and floor targets to improve performance in schools which have the lowest attainment rates. Also, public services have a 'public value'. For example, schools can act as community centres as well as places of learning. The performance framework is, therefore, not just about maximising the aggregate level of education attainment. In addition, not all improvements will produce easily quantifiable outputs, for example on the emotional development of the child and wider skills acquisition. These other objectives may not be relevant to National Accounts measurement and never be fully captured in the productivity figures.

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|     |     |     |        |

#### DfES Performance and targets: Key Stages 2 and 3

|                 |           | Percentage of    | 11 years old (KS2) | Percentage of 14 years old (KS3) |                  |       |     |         |
|-----------------|-----------|------------------|--------------------|----------------------------------|------------------|-------|-----|---------|
|                 | Level 4 c | Level 4 or above |                    | r above                          | Level 5 or above |       |     |         |
|                 | English   | Maths            | English            | Maths                            | English          | Maths | ICT | Science |
| 1995/96         | 57        | 54               | 12*                | 18                               | 57               | 57    | 50* | 57      |
| 2003/04         | 78        | 74               | 27                 | 31                               | 71               | 73    | 67  | 66      |
| Target for 2004 | 85        | 85               | 35                 | 35                               | 75               | 75    | 75  | 70      |

Notes: \*refers to academic year 1996/67

Source: Department for Education and Skills

#### Investment in capital

- 8.21 Capital spending on school buildings has increased significantly. The DfES capital programme (found in the 2004 Annual Report), shows investment in school buildings rose from around £1 billion in 1999/2000 to £3 billion (estimated) in 2003/04.
- 8.22 The increase in the profile of investment has been especially pronounced from 2000/01 onwards. DfES expects this increase in investment to affect the quality of student and teacher experience, and to provide improved facilities for extra-curricular activities. Returns to this investment, where they are quantifiable, are expected to appear in the medium/ long-term rather than the short-term. The impact of an improved environment on exam outcomes is complex and investment may not deliver immediate gains in attainment in formal exams. In the short-term, therefore, this may retard productivity growth. The benefits of increased spending and the accompanying programme of reform will take time to accrue.

#### **Efficiency measures**

- 8.23 The *Efficiency Technical Note* published by DfES as part of the 2004 Spending Review, sets out a range of detailed ways of measuring improvements in efficiency in schools, such as teachers' time spent more productively, enabling institutions to achieve more with their resources. The plan is that benefits will be generated through workforce reform, investment in ICT and reducing administrative burdens. Other improvements include reducing the number of civil servant posts; improved procurement of goods, services and new school buildings; simplifying systems and improvements in policy; funding and regulation, such as the lighter touch process for Ofsted inspection.
- 8.24 Information is not yet available to assess the results of the efficiency plans. DfES will monitor and measure the annual efficiency gains that are achieved across the services funded by the Department between 2005/06 and 2007/08. The Department plans to achieve over £4.3 billion in efficiency gains by 2007/08. At least half of the gains will be recyclable, enabling it to be reinvested in front line activities. The key aim is to help front line organisations make better use of their funds, increasing value for money in Education Services.

#### Summary

8.25 This section on triangulation has presented a limited amount of information as context to the productivity estimates. In recent years, there has been a reduction in class size and increased adult support in classes. The assessments on the quality of primary and secondary education, and on the teaching profession more generally, provide other sources of evidence on the output and productivity of the Education Services. They show high standards of education and indications of improvement in quality over the period. Over recent years, policy has focused on achieving a range of outputs, only some of which will be reflected in current output measures and productivity growth. Over time, perhaps, it may be possible to extend the range of information to cover these areas.

#### 9. Next steps

- 9.1 This article has presented a first analysis of Education Services productivity based on the National Accounts and other measures of output and inputs. It has explained the limitations of the estimates due to the sources and methods used and assumptions made. Work is continuing to improve the measurement of Education Services inputs, outputs and productivity.
- 9.2 Future work by ONS will aim to implement further recommendations from the Atkinson Review, investigating more comprehensive use of UK data, and improving and extending the measurement of quality in the outputs. Any revisions to the measurement of output will be subject to ONS quality assurance processes. In line with the National Statistician's undertaking, any fundamental change to the methodology used for National Accounts purposes would be submitted to the internal quality assurance processes only after there had been an opportunity for extensive public scrutiny and debate. The intention is to make further improvements in the measurement of Education productivity including measures of quality, inputs and deflators. These will be the subject of future articles, together with the analysis of a wider range of 'triangulation' information about education. In the future, the Education productivity articles will report on:
  - the development of the quality of output measures
  - the development of the deflators used with the current price input expenditure figures
  - the inclusion of measures and wider information from the other UK countries
  - further research into corroborating information to improve triangulation methods
  - further developments more generally, following the recommendations of the Atkinson Review.

#### **Notes**

- 1 Education output is the direct output measure for volume of Final Individual Consumption Expenditure of General Government on Education in *Blue Book* Table 6.5.
- 2 *Blue Book* Table 6.4 Current Prices Measure of Final Individual Consumption Expenditure of General Government on Education.
- 3 *Blue Book* Table 6.4 Current Prices Measure of Final Individual Consumption Expenditure of General Government on Education.

- 4 Writing this article has benefited from the advice of a Quality Assurance Panel, chaired by Peter Smith, University of York, also chairman of the UKCeMGA Advisory Board. The Quality Assurance Panel Members were Joe Grice, Director of UKCeMGA ONS; David Caplan and Tony Clayton, ONS; Deborah Garniss, Economist at DfES; Steve Machin at UCL and Mary O'Mahoney at NIESR. ONS gratefully acknowledges their help and assistance, and takes final responsibility for the contents of the article.
- 5 GGFCE: General Government Final Consumption Expenditure.
- 6 Atkinson A B (2005) *Atkinson Review: Final report. Measurement of Government Output and Productivity for the National Accounts.*
- 7 Office for National Statistics (2005) Improvements in the methodology for measuring government output, available at www.statistics.gov.uk/cci/article.asp?id=1144
- 8 Eurostat (2001) Handbook of Price and Volume Measures of National Accounts paragraph 4.12. for Non-market Educational Services – 'since prices are not available, the best method is to use 'pupil hours' adjusted for quality... where this measure is not available, the number of pupils is acceptable if it can be shown that the amount of hours that pupil spent being taught is sufficiently stable'.
- 9 *Atkinson Review: Final Report*, Chapter 4: Methodology for the future: The Principles.
- 10 Project STAR: Tennessee's Student Teacher Achievement Ratio (STAR) project was a study of class-size effects on student achievement.
- 11 Key stages: Compulsory education for children in England begins from the September after a child turns five and lasts until age 16. It is divided into four National Curriculum Key Stages, with pupils sitting national examinations at the end of each phase. The Key Stages are referred to as Key Stage 1, 2, 3 and 4 and vary in length from 2 years to 4 years.
- 12 DfES paper available at: www.dfes.gov.uk/research/ programmeofresearch/index.cfm?type=5
- 13 QCA: Qualifications and Curriculum Authority, report available at: www.qca.org.uk/95\_6300.html
- 14 Evaluating the effect of education on earnings: models, methods and results from the National Child Development Survey (Blundell R, Dearden L and Sianesi B).
- 15 CeRiBA, (Centre for Research into Business Activity), Economic Research Centre for microeconometric analysis of business data, based at the ONS.
- 16 National Accounts expenditure on labour at current prices for education is derived from the accounting data maintained by HM Treasury, ODPM, and the Education administrations.

- 17 ONS Labour Market Trends. The difference between pay settlements and earnings growth. *Labour Market Trends* 113(2), pp 67–72, available at www.statistics.gov.uk/cci/ article.asp?ID=1065
- 18 The Average Earnings Index (AEI) is Great Britain's key indicator of how fast earnings are growing. The AEI is based on information obtained from ONS's Monthly Wages and Salary Survey (MWSS) which covers England, Wales and Scotland. It is used to calculate annual rates of increase. Average earnings are obtained by dividing the total amount paid (including bonuses but not including National Insurance or pension contributions) by the total number of employees paid.
- 19 Atkinson Review: Final Report Table 5.1.
- 20 Annual Report of Her Majesty's Chief Inspector of Schools 2003/04; available at www.ofsted.gov.uk/ publications/index.cfm?fuseaction=pubs.summary&id= 3829

www.ofsted.gov.uk/publications/annualreport0304/ 2.4.htm

21 www.everychildmatters.gov.uk

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#### Glossary

*BECTA: British Educational and Technology Agency.* Government agency promoting the use of information and communications technology.

*British Social Attitudes Survey (BSA):* An annual independent survey charting British social, economic, political and moral values in relation to other changes in society, conducted by the National Centre for Social Research. Around 3,600 respondents are asked about their attitudes and opinions on a wide range of issues, including education. The 20th report summarises the 2002 survey, with some key findings relevant to school level education.

*CeRiBA*: Centre for research into business activity, Economic Research Centre for microeconometric analysis of business data, based at the ONS in London.

*DfES*: The Government Department for Education and Skills in England

*Devolved administrations*: Scottish Executive for Scotland, the Welsh Assembly Government for Wales, and the Northern Ireland Civil Service.

*Education or Education Services*. In this article 'Education' or 'Education Services' or refers to those services which are purchased by general (central and local) government.

*Health education*: In this article 'Health education' refers to those Education Services that are purchased by Department of Health for health professionals.
# **Education Services included in General Government**

| English Education System                                | Funding  | Classification     |
|---|--|--------------------|
| Maintained Schools (including Nursery Classes)          | Local Education Authority. Sixth form funding received from Learning and Skills Council (LSC)  | Local Government   |
| Maintained Nursery Schools                              | Local Education Authority  | Local Government   |
| City Technology Colleges                                | Although they can generate additional income, their running costs are met by government. so they receive most of their funding from government | Central Government |
| City Academies  | Schools are controlled by, and receive funding directly from, central government.  | Central Government |
| Higher Education for Nurses and Other<br>Health Workers | Direct purchase of University courses for health workers (mainly for nurses) by Department of Health   | Central Government |
| Free PVI places   | Government funding of Private, Voluntary and Independent Nursery places  | Central Government |
| IΠ  | Direct purchase of Initial Teacher Training courses by Department of Education   | Central Government |

# **Education Services not included in General Government**

| English Education System  | Funding  | Classification   |
|---|--|--|
| Sixth Forms & Further Education<br>Colleges;<br>All colleges, including Sixth Form<br>Colleges, Further Education Colleges<br>and technical, art, music, nursing and<br>technology colleges | From 1993 the colleges were given independent legal status. Currently funding received from Learning and Skills Council (LSC). Apart from students aged 16–18 in full-time education, colleges may charge fees | Non-profit Institutions<br>Serving Households<br>(NPISH) |
| Higher Education Institutions (HEIs)  | HEIs are independent institutions responsible for managing their own affairs<br>HEIs are partially funded by government grants   | Non-profit Institutions<br>Serving Households<br>(NPISH) |
| Private Education   | Schools and Nursery schools  | Household Expenditure                                    |

*Fte*: Full-time equivalent pupil numbers.

ICT: Information and Communication Technology.

# *ITT*: Initial Teacher Training.

*Key Stages*: the national curriculum is divided into four key stages according to pupils' ages. These are formal curricula for what must be taught in the different key stages:

- Key Stage One primary school (5–7 years old). Years 1–2
- Key Stage Two primary school (7–11 years). Years 3–6
- Key Stage Three secondary school (11–14 years). Years 7–9
- Key Stage Four (GCSE) secondary school (14–16 years). Years 10–11

NCSL: National College for School Leadership.

ODPM: Office of the Deputy Prime Minister.

*Ofsted*: Office for Standards in Education.

Productivity: Defined as the ratio of a volume measure of output to a volume measure of input.

*PSA*: public service agreement, an agreement between a government department and the Treasury, as part of the Spending Review, including objectives and targets.

# Consumer price inflation, 1947–2004

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This article looks at trends in inflation since the Second World War, as measured by the retail prices index (RPI). It starts by considering trends in the composition of households' expenditure, as shown by the weights used to construct the RPI, and examines how this is reflected in the range of representative items used to construct the RPI. It then looks at trends in inflation, and finishes with a comparison of how average prices of selected products have changed over the vears.

Although much of the data that underpins this new analysis has previously been published, it has not been pulled together in one document, and this is the first time it has been available electronically. The information being made available includes detailed weights, indices, lists of representative items included in the RPI basket, and average prices of selected products.

# Introduction

An earlier article<sup>1</sup> examined long term trends in consumer price inflation back to 1750. This article looks in more detail at trends in inflation since the Second World War, as measured by the retail prices index (RPI). It starts by considering trends in the composition of households' expenditure, as shown by the weights used to construct the RPI, and examines how this is reflected in the range of representative items used to construct the RPI. It then looks at trends in inflation, and finishes with a comparison of how average prices of selected products have changed over the years.

Much of the data that underpins this new analysis has previously been published<sup>2,3</sup> but it has not, until now, been available electronically. It can be found at www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207.

# Trends in household expenditure

The RPI covers expenditure on the full range of consumption goods and services purchased by the majority of households in the UK, from the basics such as food, clothing and housing, through to leisure goods and services. Excluded is expenditure made by the top 4 per cent of households by income, and pensioner households mainly reliant on state benefits for their income.

Households spend different amounts on different types of goods and services. In order to reflect their relative importance properly in the RPI, changes in the price of these different types of goods and services are weighted according to their overall share of households' expenditure. Table 1 presents these expenditure weights for the main RPI groups of expenditure. More detail is available in spreadsheets accompanying the web version of this article (at address above). Between 1947 and 1961, the weights were held constant for between four and six years at a time; since 1962 they have been updated annually (Box 1).

Comparisons of trends in expenditure weights are not always straightforward because of changes in the way in which the goods and services have been classified over the years, particularly when comparing the pre-1987 period with the period since then. It is also important to be aware of changes in the coverage of goods and services included in the RPI over the years (Box 2). Nonetheless, it is possible to discern some clear trends.

At the start of the period, food (and catering) represented the largest single category of expenditure, accounting for 35–40 per cent of the overall total. By 2004, food's share of the overall total had fallen to 11 per cent. This does not mean that less is spent on food; rather the relative share of weekly expenditure has fallen. Other groups showing falls in their share of overall expenditure were:

*tobacco* down from 12 per cent to 3 per cent, reflecting health concerns and increased taxation

# Box 1: Reference periods, chain-linking and weights

The RPI measures price changes, not price levels. It is therefore expressed in terms of prices relative to a reference point, when the index is given a value of 100. The reference point is currently January 1987=100, but it has been changed several times. The earliest RPI data are based on June 1947=100. Subsequent reference points have been the Januarys of 1952, 1956, 1962, 1974 and 1987. The reference dates are arbitrary, providing simply a convenient benchmark for comparison.

Long-term comparisons are obtained by *chain linking* the indices in successive periods. It is possible to do this because indices are calculated up to and including the base month of the following reference period. For instance, the all items RPI for 1980 based on January 1974=100 is 263.7, while the index level in the overlap month, Jan 1987, is 394.5. The 1980 index level can be linked onto the January 1987=100 based index as in the following example:

 $Index_{1980, based on 1987=100} = \frac{100 \text{ x Index}_{1980, based on 1974=100}}{Index_{Jan 87, based on 1974=100}}$ 

#### = 100 x 263.7/ 394.5 = 66.8

Similar calculations can be done to link over more periods; for instance:

 $Index_{1970, based on 1987=100} = 100 \times 100 \times Index_{1970, based on 1962=100} \\ Index_{Jan 74, based on 1962=100} \times Index_{Jan 87, based on 1974=100}$ 

In the early years of the RPI, until 1962, changes in the reference period (*rebasing*) took place when the expenditure weights were updated, with the weights being held constant until the next rebasing. Since 1962, weights have been updated annually. Rebasing is also an opportunity to review and refine the groupings of goods and services for which information is published, and there have been a number of changes to the RPI groups, sub-groups and sections over the years, particularly at the last rebasing in 1987.

The RPI weights for the period 1947–51 were based on a 1937–38 survey of household expenditure. These were updated for the period 1952-55 from estimates of the pattern of expenditure in 1950. The weights for 1956–61 were based on a survey of household expenditure conducted in 1953. Since 1962, the weights have been updated annually using information collected in the ONS's Expenditure and Food Survey, and its forerunner the Family Expenditure Survey which started in 1957.

- clothing and footwear which has been declining steadily since 1956–61; from around 11 per cent to 5 per cent today
- *fuel and light* down from 6.5 per cent to 3 per cent, with most of the decline taking place since 1985. Within this group, there has been a switch towards electricity and gas and away from coal and coke. The decline in coal and coke reflects the increasing trend towards central heating which was present in 93 per cent of households in 2003, compared with 37 per cent in 1972
- alcoholic drink which has fallen from 10 per cent in 1947–51 to 7 per cent in 2004

Housing was the largest category of expenditure in 2004, and this group has seen the largest increase in expenditure share since 1947–51 – up from around 9 per cent of the total to 22 per cent in 2004. This increase is, in part, due to changes in the way in which owner occupiers housing costs have been measured in the index: for instance, the inclusion in 1995 of house depreciation costs, as a measure of the amount home owners need to spend to maintain their property, added 3 per cent to the housing weight.

The weight of the housing group has tended to fluctuate, in part reflecting movements in interest rates and house prices. These feed through into the weight for mortgage interest payments with house prices also feeding into the calculation of the house depreciation element. Expenditure on Council Tax (and its predecessors, the Community Charge and rates) has also tended to vary, peaking at 4.7 per cent in 1991, before falling to 2.9 per cent four years later, and subsequently rising to 3.8 per cent in 2004.

Expenditure on transport has also grown since the Second World War, from around 3 per cent of total expenditure to 16 per cent in 2004. This increase has been largely in motoring costs, reflecting increasing car ownership, and has been partially at the expense of travel by bus which has fallen from around 3 per cent of total expenditure in 1956–61 to 0.4 per cent in 2004. Rail's share of total expenditure has declined more slowly from 0.8 per cent to 0.5 per cent over the full period.

Other groups to show increases in expenditure share are:

- *miscellaneous goods*, up by nearly 4 per cent between 1947–51 and 1986, with most categories of expenditure in this group showing increases
- *household services*, up by nearly 2 per cent since 1987, mainly due to increases in fees and subscriptions, and telephone charges, the latter reflecting the growth in mobile phone usage
- *leisure services*, up by around 4 per cent since 1987, reflecting in large part the introduction into the index of foreign and UK holidays in 1993 and 1994 respectively

# Box 2: Changes in coverage of the RPI

- 1956: Coverage expanded to include all wage-earning households, not just the 'working classes'. First serious attempt to measure owner-occupier housing costs was made with the introduction of 'equivalent rents', whereby owner-occupier costs were represented by estimates of the rent they would pay if their dwelling was rented, rather than owned. Inclusion of motor vehicle purchase costs for the first time, adding 0.8 per cent to the weight of the transport and vehicles group.
- 1968: A new group, Meals out (later known as Catering), was introduced to the index. Previously, its weight had been split between the Food group and the rest of the basket, although the expenditure had not been explicitly represented in the items used to compile the index.
- 1975: Introduction of mortgage interest payments to represent owner-occupiers' housing costs.
- 1987: The structure of the RPI was overhauled with the durable household goods, miscellaneous goods, and services groups being restructured into five new groups as follows:

| Groups up to 1987       | Groups from 1987   |
|-------------------------|--|
| Durable household goods | Household goods (part)<br>Leisure goods (part)                                       |
| Miscellaneous goods     | Household goods (part)<br>Personal goods and services<br>(part) Leisure goods (part) |
| Services                | Household services<br>Personal goods and services<br>(part)<br>Leisure services      |

- 1993: Inclusion of foreign holidays, which added 3.0 per cent to leisure services' weight that year.
- 1994: Inclusion of UK holidays, adding 0.8 per cent to leisure services' weight that year.
- 1995: Inclusion of housing depreciation, adding 3.0 per cent to housing costs' weight that year (4.7 per cent in 2004).

# **Representative items**

The RPI measures the full range of household expenditure but it is clearly not practical or cost-effective to price everything that households spend their money on. Instead, a representative set of items is chosen for which prices are tracked on a month by month basis. In 1947, there were around 200 of these *representative items* in the RPI basket of goods and services. Nowadays, there are over 650; the increased number reflects the growing complexity of the retail market and range of goods and services available, and improvements in the representativity of the items included in the basket. The representative items provide a snapshot of typical purchases made by households and it can be interesting to look at how they have changed over the years.

Until 1962, the content of the RPI basket was generally held constant between rebasings but since then it has been updated in most years to reflect changing tastes in expenditure and to ensure adequate representation of each expenditure category. Appendix 1 lists the full RPI basket in 1947 and 2005, based on the current structure of the RPI. It also shows additions to, and deletions from, the basket at, and between, each rebasing, together with the changes between 1987 and 1995. The full contents of the basket at each rebasing year, and for 1990, 1995 and each year since 2000 are available on the National Statistics website at www.statistics.gov.uk/StatBase/ Product.asp?vlnk=14207.

In 1947, the basket included many items which are not present in today's basket like wild rabbits, mangles, corsets, candles and wireless licences. However, it also included many items which can still be found in today's basket, particularly among the food items. Examples include a large loaf of bread, pint of milk, lamb chops, many types of fruit and vegetables, hair cuts, postal charges, woman's dress, public transport fares and football admissions. The changes that have occurred reflect increasing affluence, evolving technology and changing tastes.

Among food items, there has been a noticeable trend towards convenience shopping and prepared food. For instance, the 1950s saw the introduction of fish fingers, the 1960s sliced bread, and the 1970s cod-in-sauce. This trend continues today, and additions to the index in the last ten years or so have included frozen pizzas, chilled ready meals and chicken nuggets. Food items removed from the basket include rabbit, mutton, several types of fish and various cuts of beef and lamb.

The trend away from the preparation of goods can also be seen in clothing where the basket included sewing machines, clothing and curtain materials until they were dropped in the 1980s and early 1990s.

Technological change is particularly noticeable in areas such as electrical appliances, audio-visual goods and CDs and tapes. The 1947 basket included just four items in these sections – vacuum cleaner, iron, radio set and gramophone record. Black and white televisions were added in the 1950s, along with the electric fire and washing machine, while the 1960s saw the inclusion of fridges, and the 1970s the record player and cassette recorder. Since then, technological innovations have continued apace, and this has been reflected in the introduction of items such as dishwashers, personal computers, mobile phones, widescreen TVs, DVDs and digital cameras and the introduction and subsequent dropping of items such as the music centre, personal cassette player and analogue camcorders.

Increasing prosperity and leisure time is also apparent with the increasing number of items in the household services, leisure goods and leisure services groups. Items introduced in these categories include computer games, internet subscriptions, leisure centre exercise classes, and health club/gym annual membership.

The index also reflects changing fashions and this can be seen with the introduction of, for instance, laminate flooring in place of vinyl floor covering, duvets in place of blankets, and the inclusion of alcopops and a much broader range of alcohol products.

# **Trends in prices**

## **Overview**

Table 1 presents the annual average index levels for the RPI and its major groups back to 1947. The RPI's classification system changed in January 1987 (Box 2) so some of the groups only exist up to this date, while others start from that date. For ease of analysis, the indices have been chain linked where possible (Box 1), and referenced on January 1987=100. Corresponding 12-month rates of change for each decade are also shown in the table.

The table shows that between 1947 and 2004 prices rose by around 25 times. Figure 1 shows that the most rapid increase in prices occurred in the 1970s. During this decade, prices rose by over 3<sup>1</sup>/<sub>2</sub> times, with inflation reaching 26.9 per cent in August 1975, and exceeding 10 per cent in several other years.

The expenditure group with the greatest increase in prices over the entire period was housing where costs rose by over 50 times. Figures 2 and 3 show that the growth in housing costs was particularly strong during the 1970s and 1980s, exceeding 200 per cent in both decades. There has also been strong growth in tobacco prices, particularly since 1970, in part driven by increased excise duties.

The expenditure group with the smallest increase in prices was clothing and footwear, where prices increased up to the mid-90s but fell back subsequently so that by 2004 prices were

### Table 1:

# Retail Prices Index: Group Indices: 1947–2004

|               |                   |                       |           |         |                      | I      | Durable            | Clothing | Motoring, |                    |                       |        |          | Personal |         |          |       |
|---------------|-------------------|-----------------------|-----------|---------|----------------------|--------|--------------------|----------|-----------|--------------------|-----------------------|--------|----------|----------|---------|----------|-------|
|               |                   |                       |           |         |                      |        | House              | &        | fares &   | Miscell-           |                       | House- | House-   | goods    |         |          |       |
|               |                   |                       | Alcoholic |         |                      | Fuel & | hold               | Foot     | other     | aneous             |                       | hold   | hold     | &        | Leisure | Leisure  | All   |
|               | Food <sup>1</sup> | Catering <sup>2</sup> | drink     | Tobacco | Housing <sup>3</sup> | Light  | Goods <sup>4</sup> | wear     | travel⁵   | Goods <sup>6</sup> | Services <sup>7</sup> | goods  | services | services | goods   | services | items |
| Weight (parts | s per tho         | usand)                |           |         |                      |        |                    |          |           |                    |                       |        |          |          |         |          |       |
| 1947–51       | 348               |                       | 101       | 116     | 88                   | 65     | 71                 | 97       | 25        | 35                 | 54                    |        |          |          |         |          | 1,000 |
| 1952–55       | 399               |                       | 78        | 90      | 72                   | 66     | 62                 | 98       | 31        | 44                 | 60                    |        |          |          |         |          | 1,000 |
| 1956–61       | 350               |                       | 71        | 80      | 87                   | 55     | 66                 | 106      | 68        | 59                 | 58                    |        |          |          |         |          | 1,000 |
| 1970          | 255               | 43                    | 66        | 64      | 119                  | 61     | 60                 | 86       | 126       | 65                 | 55                    |        |          |          |         |          | 1,000 |
| 1980          | 214               | 41                    | 82        | 40      | 124                  | 59     | 69                 | 84       | 151       | 74                 | 62                    |        |          |          |         |          | 1,000 |
| 1990          | 158               | 47                    | 77        | 34      | 185                  | 50     |                    | 69       | 152       |                    |                       | 71     | 40       | 39       | 48      | 30       | 1,000 |
| 2000          | 118               | 52                    | 65        | 30      | 195                  | 32     |                    | 58       | 167       |                    |                       | 72     | 56       | 43       | 46      | 66       | 1,000 |
| 2004          | 110               | 49                    | 67        | 29      | 224                  | 31     |                    | 48       | 155       |                    |                       | 71     | 61       | 41       | 46      | 68       | 1,000 |
| Index (Jan 19 | 87=100)           |                       |           |         |                      |        |                    |          |           |                    |                       |        |          |          |         |          |       |
| 1947 June     | 6.3               |                       | 11.1      | 8.6     | 5.1                  | 4.5    | 16.6               | 16.8     | 6.8       | 7.1                | 6.3                   |        |          |          |         |          | 7.3   |
| 1960          | 12.7              |                       | 12.4      | 10.6    | 8.3                  | 9.4    | 22.9               | 25.4     | 13.3      | 11.9               | 10.6                  |        |          |          |         |          | 12.5  |
| 1970          | 18.3              | 13.9                  | 19.7      | 15.9    | 14.0                 | 15.3   | 30.0               | 32.2     | 18.9      | 19.0               | 17.7                  |        |          |          |         |          | 18.5  |
| 1980          | 72.3              | 63.8                  | 59.4      | 48.1    | 53.6                 | 61.9   | 85.2               | 89.0     | 72.2      | 67.0               | 64.3                  |        |          |          |         |          | 66.8  |
| 1990          | 119.4             | 126.4                 | 123.8     | 113.6   | 163.7                | 115.9  | 100.08             | 115.0    | 121.3     | 100.0 <sup>8</sup> | 100.0 <sup>8</sup>    | 115.4  | 119.6    | 122.7    | 112.4   | 124.5    | 126.1 |
| 2000          | 143.4             | 203.6                 | 187.4     | 270.5   | 214.5                | 123.9  |                    | 181.9    | 181.9     |                    |                       | 140.2  | 157.1    | 185.5    | 112.1   | 207.9    | 170.3 |
| 2004          | 152.0             | 232.3                 | 203.7     | 315.0   | 267.9                | 140.7  |                    | 187.3    | 187.3     |                    |                       | 144.2  | 180.1    | 199.8    | 99.1    | 253.0    | 186.7 |
| Percentage cl | hange             |                       |           |         |                      |        |                    |          |           |                    |                       |        |          |          |         |          |       |
| 1947–1960     | 102               |                       | 12        | 23      | 62                   | 110    | 38                 | 51       | 95        | 68                 | 67                    |        |          |          |         |          | 70    |
| 1960–1970     | 44                |                       | 59        | 51      | 69                   | 62     | 31                 | 27       | 42        | 59                 | 67                    |        |          |          |         |          | 49    |
| 1970–1980     | 296               | 357                   | 202       | 203     | 284                  | 305    | 184                | 177      | 283       | 253                | 263                   |        |          |          |         |          | 261   |
| 1980–1990     | 65                | 98                    | 108       | 136     | 205                  | 87     | 17 <sup>9</sup>    | 29       | 68        | 49                 | <sup>9</sup> 56       | 9      |          |          |         |          | 89    |
| 1990–2004     | 27                | 84                    | 64        | 177     | 64                   | 21     |                    | -15      | 54        |                    |                       | 25     | 51       | 63       | -12     | 103      | 48    |
| 1947–2004     | 2,320             |                       | 1,730     | 3,580   | 5,130                | 3,040  |                    | 480      | 2,640     |                    |                       |        |          |          |         |          | 2,450 |

1 Includes pet food from 1956 to 1986.

2 Prior to 1968, the weight for catering was split equally between Food and the other groups.

3 Coverage was extended to include owner-occupiers' housing costs in 1956; housing depreciation was introduced in 1995.

4 Part of household goods and leisure goods since 1987.

5 Coverage was extended to include motor vehicle purchase costs in 1956.

6 Part of household goods, personal goods & services and leisure goods since 1987.

7 Part of household services, personal goods & services and leisure services since 1987.

8 Index level at Jan 1987.

9 Percentage change 1980 to Jan 1987.

Source: Office for National Statistics

15 per cent below their level in 1990, and around six times greater than in 1947. Leisure goods have also fallen in price since the mid-90s, and in 2004 they were close to their level in 1987. This is mainly due to audio-visual equipment where prices in 2004 were less than a quarter of their level in 1987, reflecting rapid technological improvements. Prior to 1987, audio-visual equipment was included in durable household goods whose prices increased six-fold between 1947 and 1987.

It should be noted that trends at group level may hide trends in component groupings. For instance, transport costs have risen by about the same amount as the overall RPI. However, there is a marked difference in the evolution of prices in the two main components of this group, with motoring costs increasing by 12 times since 1956 compared with 33 times for fares and other travel costs, and an overall average of 16 times.

Trends in inflation during each decade are examined in more detail below. Appendix 2 presents a calendar of selected events

#### Figure 1

# All items Retail Price index: percentage change over 12 months



Figure 2

tables, containing index levels consistent with those originally published monthly in Employment Gazette, are available in Excel spreadsheets on the National Statistics website: www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207 as follows:

that have had a bearing on inflation over the years. Detailed

- monthly group level indices, 12 month rates and 1-month rates for each time period from June 1947-Jan 1952 to Jan 1987-Dec 2004
- monthly group and sub-group indices for each time period from June 1947-Jan 1952 to Jan 1962-Jan 1974
- monthly group, sub-group and section indices for Jan 1974 -Jan 1987: it should be noted that some of the data in this table is previously unpublished and has been provided for completeness. For instance, the housing group as originally published showed all the component section indices except for dwelling insurance. The latter section is now being made available directly for the first time.

# The period up to 1960

The period from 1947 up to 1960 was one of relatively low inflation, with prices in most years rising by less than 5 per cent. The exception was 1951 and 1952 when inflation in both years was just over 9 per cent, reflecting rises in world prices of many raw materials, and increasing shortages of many consumer goods associated with war in Korea. Over the period as a whole, prices rose by 70 per cent, with the greatest increases being recorded for fuel and light and food, where prices more than doubled, reflecting the gradual removal of rationing and lifting of price controls imposed during the war. By 1956, all price controls on food had been removed, with the exception of milk.

The groups with the smallest increases in prices were alcohol and tobacco prices, which rose by 12 and 23 per cent respectively over the period. Changes in duty on these goods were relatively infrequent during this period, sometimes remaining unchanged for several years at a time, and including reductions (in 1959) as well as increases.



**RPI groups: percentages change in index level by decade** Per cent

1 Final bar shows percentage change for 1980 to Jan 1987.

The turn of the decade saw several months of deflation during April 1959 to March 1960, with the inflation rate reaching a low of minus 0.8 per cent in June 1959. This was mainly due to a combination of lower prices for alcohol, food and durable household goods.

# The 1960s

The 1960s, like the 1950s, was generally a period of low inflation, although by the end of the decade inflation was on an upward path rising to 6.4 per cent per annum by 1970. Over the decade as a whole, prices increased by 49 per cent, with the greatest increase being recorded for housing and services, at just under 70 per cent. The smallest increases were recorded for clothing and footwear and durable household goods, both around 30 per cent.

## The 1970s

As Figure 2 shows, the 1970s was a period of high inflation for all groups of items, with prices for most groups increasing by 200 per cent or more, and overall prices rising by 261 per cent. Annual inflation exceeded 10 per cent in each year from 1974 to 1981, with the exception of 1978. The situation in Britain reflected the experience of the industrial world which was struck by a series of supply shocks during the 1970s, including a quadrupling in the world price of crude oil in 1973.

During the decade, prices rose fastest in 1975, peaking at 26.9 per cent in August 1975, and increasing by 24.2 per cent over the year as a whole. All groups except clothing and footwear and housing experienced their highest recorded annual increase during this year, with inflation for each exceeding 20 per cent. The Budget that year raised indirect taxes substantially, and extended the then 25 per cent rate of VAT to cover a wide range of luxury goods. That led to what was, at the time, the highest month-on-month increase ever recorded in the RPI of 4.2 per cent in May. The monthly rates for alcohol, tobacco and durable household goods in that month are the highest on record.

That monthly increase in the overall RPI has only been exceeded once, when it reached 4.3 per cent in July 1979, following the incoming Conservative government's decision to raise VAT rates while cutting direct taxes on earned income. It should be noted, however, that the Tax and Prices index – which shows by how much households' gross income needs to change to maintain their purchasing power – was unchanged over the month.

# The 1980s

The 1980s started with the overall annual inflation rate in excess of 20 per cent during April–June 1980; this dipped to 2.4 per cent in the summer of 1986 before rising again to 10.9 per cent in September and October 1990. During the decade as a whole, the overall increase in the RPI was 89 per cent, with the housing group experiencing the fastest growth in prices, increasing by 205 per cent, reflecting in particular increased costs in the mortgage interest payments component (MIPs) and the local taxation component (rates, Community Charge and council tax). Tobacco prices also grew strongly during the decade (136 per cent) reflecting, to a large extent, the effect of increases in excise duties. The smallest increase was recorded for clothing and footwear (29 per cent).

The period around the end of this decade was strongly influenced by movements in the housing index, which increased by over 20 per cent in both 1989 and 1990. The increase in 1989 reflected a near 50 per cent increase over the year in the mortgage interest payments component (MIPs) due to a combination of rising interest rates and soaring house prices. MIPs also had a significant impact in the following year, as did local taxation which, in April 1990, saw the introduction of the Community Charge in England and Wales in place of rates (a year after it was introduced in Scotland) and a 34 per cent increase in the local taxation index. The following year Community Charge bills were reduced by 30 per cent, funded by an increase in the VAT rate from 15 per cent to 17.5 per cent.

# The 1990s to the present day

The period from 1990 to 2004 can generally be characterised as one of low inflation, with annual inflation of less than four per cent in each year except 1990 and 1991. Overall, prices rose by 48 per cent during this period but there were considerable differences between groups, with tobacco prices rising by 177 per cent, and the cost of leisure services by over 100 per cent, while prices for clothing and footwear, and leisure goods fell, by 15 per cent and 12 per cent respectively (see Figure 3).

The increase in tobacco prices reflects, in part, increases in excise duties which in 1990 represented around 60 per cent of the total cost of a packet of cigarettes, rising to 80 per cent in 2004. The increase in leisure service costs has been driven by rising costs for entertainment and other recreation, while the reduction in leisure goods prices reflects the falling cost of audio-visual equipment, influenced by technological change.

# **Average prices**

As noted above, the RPI is primarily a measure of price change. However, it can also be used as a source of information on average prices, and each month the Office for National Statistics (ONS) publishes average prices for a selection of food products and other items. The selected items are defined in such a way as to be reasonably homogenous across outlets and over time, so that an average price is meaningful. An example is an 800g white sliced loaf.

Table 2 shows average prices for a selection of items back to 1914. It compares the growth in these prices against the rise in overall prices, average earnings and the Office of the Deputy Prime Minister's house price index. The average price data for 1914–1946 are based on the Cost of Living Index, the forerunner of the RPI. More detailed information, covering more years and more items, is available in a spreadsheet accompanying the electronic version of this article: www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207.

The table shows that over the third of a century since 1970, prices overall rose ten times, with food prices rising more slowly, by a little over eight times. This compares with an

# Figure 3

# RPI groups: percentages change in index level: 1990–2004

Per cent



# Table 2: Average price of selected products: 1914–2004

Pence per kg (except where stated)

|   |      |      |      |      |      |       | 2000  |       | Proportionate change |      |
|---|------|------|------|------|------|-------|-------|-------|----------------------|------|
|   | 1914 | 1947 | 1960 | 1970 | 1980 | 1990  |       | 2004  |                      |      |
| Average prices                                |      |      |      |      |      |       |       |       |                      |      |
| Rump steak, British                           |      |      |      | 125  | 507  | 813   | 866   | 897   | 7.2                  | 1.10 |
| Lamb Loin imported                            |      |      |      | 57   | 238  | 414   | 537   | 731   | 12.8                 | 1.77 |
| Ham, cooked and sliced                        |      |      | 89.4 | 111  | 361  | 668   | 770   | 793   | 7.1                  | 1.19 |
| Back bacon                                    |      |      |      | 72   | 262  | 462   | 603   | 711   | 9.9                  | 1.54 |
| Pork sausages                                 |      |      |      | 41   | 134  | 225   | 307   | 316   | 7.7                  | 1.40 |
| Cod fillets                                   |      |      |      | 47   | 238  | 574   | 840   | 864   | 18.4                 | 1.51 |
| Flour, per 1.5 kg                             | 2.3  | 3.4  | 9.8  | 10.8 | 39   | 55    | 60    | 68    | 6.3                  | 1.24 |
| White loaf, unsliced (800g)                   | 1.2  | 1.9  | 4.8  | 8.8  | 37   | 65    | 70    | 91    | 10.3                 | 1.40 |
| Sugar, granulated                             | 3.0  | 3.4  | 7.4  | 8.3  | 36   | 62    | 55    | 74    | 8.9                  | 1.19 |
| Milk (pasteurised) per pint                   | 0.7  | 1.9  | 3.3  | 4.7  | 17   | 31    | 34    | 35    | 7.4                  | 1.13 |
| Imported butter (per 250g)                    |      |      |      | 10.1 | 44   | 65    | 88    | 92    | 9.1                  | 1.42 |
| Cheese (Cheddar)                              | 8.4  | 10.6 | 31.0 | 40.8 | 209  | 330   | 505   | 567   | 13.9                 | 1.72 |
| Eggs size 2 (65–70g) per dozen                |      | 8.8  | 29.5 | 23.2 | 72   | 121   | 168   | 169   | 7.3                  | 1.40 |
| Carrots                                       |      |      |      | 7.3  | 29   | 59    | 45    | 57    | 7.8                  | 0.97 |
| Onions  |      |      | 5.2  | 12.6 | 33   | 63    | 56    | 62    | 4.9                  | 0.98 |
| Tomatoes                                      |      |      |      | 30.9 | 99   | 143   | 150   | 129   | 4.2                  | 0.90 |
| Apples, eating                                |      |      | 10.5 | 18.5 | 53   | 103   | 108   | 125   | 6.8                  | 1.21 |
| Bananas                                       |      |      |      | 16.8 | 59   | 114   | 99    | 86    | 5.1                  | 0.75 |
| Coffee, pure, instant (per 100g)              |      |      |      | 22.7 | 101  | 131   | 188   | 175   | 7.7                  | 1.34 |
| Average price of purchased petrol (per litre) |      |      |      |      |      | 44    | 81    | 80    |                      | 1.82 |
| Draught bitter, per pint                      |      |      |      |      |      | 109   | 178   | 202   |                      | 1.85 |
| Cigarettes (20) King size filter              |      |      |      |      |      | 164   | 391   | 439   |                      | 2.68 |
| Indices                                       |      |      |      |      |      |       |       |       |                      |      |
| All food (Jan 1987=100)                       |      | 6.3  | 12.7 | 18.3 | 72.3 | 119.4 | 143.4 | 152.0 | 8.3                  | 1.27 |
| All prices (Jan 1987=100)                     | 2.5  | 7.3  | 12.5 | 18.5 | 66.8 | 126.1 | 170.3 | 186.7 | 10.1                 | 1.48 |
| Average earnings (Q1 1987=100)                |      |      |      | 13.7 | 57.8 | 134.8 | 211.0 | 246.2 | 18.0                 | 1.83 |
| ODPM house price index (Q1 1987=100)          |      |      |      | 11.3 | 56.4 | 161.8 | 249.3 | 405.1 | 35.8                 | 2.50 |

Source: Office for National Statistics

18-fold increase in average earnings and a 36-fold increase in house prices. Looking at individual commodities, of those listed, only cod has exceeded the growth in average earnings. At the other end of the scale, the smallest price increases were recorded for tomatoes and onions, each of which rose by less than five times.

Over a more recent period, 1990 to 2004, it is a similar story, with overall inflation outstripping the change in food prices, and average earnings and average house prices rising faster still.

Of the commodities listed, petrol and a pint of bitter rose roughly in line with the growth in average earnings, while only cigarettes exceeded the growth in average house prices. At the other end of the scale, some fruit and vegetables fell in price, most notably bananas.

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# Appendix 1

|                      | 1947 basket  | Additions to   | I deletions fro                 | m the baske     | t since the previ  | ous date  | 2005 basket  |
|----------------------|--|--|---------------------------------|-----------------|--|---|--|
|                      |  | 1952/56  | 1962                            | 1974            | 1987   | 1995  |  |
| Bread                | Large and small<br>white loaves, rolls   | Small brown loaf   | Sliced white<br>bread           |                 | Large whole-<br>meal loaf, rolls                           | Small white loaf  | Large white loaves – sliced<br>and unsliced, small brown<br>loaf, large wholemeal loaf;<br>bread rolls , pitta bread |
| Cereals              | Plain and self-raising<br>flour, rolled oats,<br>breakfast foods               | Rice   |                                 |                 | Spaghetti, rice<br>pudding                                 | Rice pudding  | Flour, rice, pasta, breakfast<br>cereals, muesli, corn snacks  |
| Biscuit & Cakes      | Biscuits, cakes  | Chocolate covered<br>biscuits                                      | Cream crack-<br>ers, crispbread |                 | Crispbread   |   | Biscuits, cakes, pies, crackers  |
| Beef                 | Imported and home<br>killed cuts: sirloin,<br>topside, rib, flank              | Brisket, silverside,<br>rump steak, chuck<br><i>Flank, topside</i> |                                 |                 | Mince, beef-<br>burgers                                    | Topside<br>Sirloin, rib   | Rump steak, braising steak,<br>mince, topside, frozen beef-<br>burgers   |
| Mutton and<br>lamb   | Imported and home<br>killed mutton and<br>lamb. Leg, loin,<br>breast, shoulder | Mutton neck &<br>shoulder, lamb leg<br>& neck                      |                                 |                 | Mutton, lamb<br>breast                                     |   | Loin chops, shoulder, minced<br>lamb, leg  |
| Pork                 | Leg, belly   | Loin   |                                 |                 | Fillet   |   | Loin chops, shoulder   |
| Bacon                | Back, streaky  |  | Gammon,<br>collar and<br>middle |                 | Middle   | Collar  | Gammon, back   |
| Poultry              |  | Chicken  |                                 |                 | Turkey   | Fresh chilled<br>chicken, Frozen<br>chicken and<br>chicken pieces         | Fresh / chilled chicken,<br>Frozen chicken, Fresh &<br>frozen chicken pieces, Fresh<br>turkey steaks                 |
| Other meat           | Corned beef,<br>sausages, liver, wild<br>rabbits                               | Cooked ham,<br>Luncheon meat<br><i>Rabbits</i>                     | Tinned stewed<br>steak          |                 | Pies, garlic<br>sausage                                    | Liver pate<br>Luncheon meat   | Sausages, cooked meats –<br>e.g. ham, Meat pies, Canned<br>meats, Frozen chicken<br>nuggets                          |
| Fresh fish           | Cod, haddock, hake,<br>plaice, herrings,<br>frozen cod fillets                 | Halibut<br>Frozen cod fillets                                      |                                 | Hake            | Trout, mackerel,<br>Salmon<br>Halibut, plaice,<br>herrings | Haddock,<br>Mackerel  | White fish fillets, Salmon<br>fillets, Frozen prawns   |
| Processed fish       | Canned salmon,<br>kippers, smoked<br>haddock                                   | Canned sardines,<br>fish fingers                                   |                                 | Cod in<br>sauce | Smoked<br>haddock  | Canned tuna,<br>Frozen plaice in<br>crumbs<br>Canned sardines,<br>kippers | Canned tuna, Fish fingers  |
| Butter               | Butter   |  |                                 |                 |  |   | Butter   |
| Oils and fats        | Margarine, com-<br>pound cooking fat   | Lard   | Blended<br>butter               |                 | Cooking oil<br>Cooking fat,<br>lard, blended<br>butter     |   | Margarine / low fat spread,<br>Cooking oil   |
| Cheese               | Cheddar  | Cheese spread  |                                 |                 | Regional<br>cheese<br>Cheese spread                        |   | Cheddar, regional cheeses,<br>Selected speciality cheeses,<br>cheese spread  |
| Eggs                 | Eggs   |  |                                 |                 |  |   | Eggs   |
| Fresh milk           | Fresh Milk   |  |                                 |                 |  |   | Full-fat, semi-skimmed and skimmed milk  |
| Milk products        | Condensed milk,<br>dried milk  |  | Yoghurt, fresh<br>cream         |                 | Condensed milk   | Fromage frais   | Fresh cream, flavoured milk,<br>yoghurt, fromage frais,<br>chilled pot dessert                                       |
| Теа                  | Теа  |  |                                 |                 |  |   | Теа  |
| Soft drinks          | Fruit squashes,<br>carbonated drinks   |  |                                 |                 | Pure orange<br>juice                                       |   | Pure fruit juices, Squashes,<br>Mineral water, Various fizzy<br>drinks – cans and bottles,<br>Energy drinks          |
| Sweets and chocolate | Selection of sugar<br>and chocolate<br>confectionery                           |  |                                 |                 |  |   | Various popular brands of sweets, chocolates and mints   |

|                                   | 1947 basket   | basket Additions to <i>I deletions from</i> the basket since the previous date |   |  |  |  |   |  |  |  |  |
|-----------------------------------|---|--|---|--|--|--|---|--|--|--|--|
|                                   |   | 1952/56  | 1962  | 1974   | 1987   | 1995   |   |  |  |  |  |
| Potatoes                          | Potatoes  |  |   |  |  |  | Potatoes  |  |  |  |  |
| Potato<br>products                |   | Crisps   |   | Dried<br>mashed<br>potato                        | Frozen chips<br>Dried mashed<br>potato   |  | Crisps, Other potato-based snacks, Frozen chips   |  |  |  |  |
| Other fresh<br>vegetables         | Tomatoes, cabbage,<br>cauliflower, brussel<br>sprouts, peas,<br>carrots, turnips,<br>onions, broccoli,<br>swede | Beetroot<br>Turnips, swede   | Mushrooms   | Beetroot   | Lettuce,<br>cucumber   |  | Tomatoes, cabbages,<br>cauliflowers, carrots,<br>sprouts, onions, mushrooms,<br>cucumbers, lettuce, organic<br>vegetable, pre-packed salads<br>and vegetables   |  |  |  |  |
| Processed<br>vegetables           | Canned beans  | Frozen peas,<br>canned peas  |   | Frozen<br>sliced<br>beans,<br>canned<br>tomatoes | Canned sweet<br>corn   | Canned peas,<br>frozen beans   | Canned tomatoes, canned<br>baked beans, canned sweet<br>corn, frozen peas   |  |  |  |  |
| Fresh fruit                       | Cooking apples,<br>oranges, bananas   | Pears, dessert<br>apples   | Pears   |  |  | Avocado,<br>nectarines, kiwi<br>fruit, grapefruit,<br>peaches                        | Apples, pears, bananas,<br>strawberries, grapes,<br>oranges, grapefruit, avocado<br>pears, peaches, kiwi fruit,<br>organic fruit  |  |  |  |  |
| Processed fruit                   | Currants, sultanas,<br>prunes, canned<br>plums  | Canned pears,<br>peaches,<br>pineapple<br>Canned plums                         |   | Prunes   | Peanuts  |  | Various canned fruits, salted peanuts   |  |  |  |  |
| Other foods                       | Custard powder,<br>jelly, sauces and<br>pickles, salt   | lce cream, canned<br>soup, meat and<br>vegetable extracts                      |   |  | Frozen sponge,<br>frozen curry<br>& rice, frozen<br>pizza, tinned<br>ravioli, packet<br>soup<br>Jelly, sauces and<br>pickles, salt | Ready cooked<br>meals, cook-in<br>sauces<br>Frozen sponge,<br>frozen curry &<br>rice | Soup, various sauces, ready<br>cooked meals, other<br>convenience foods – e.g.<br>frozen pizza, potted snacks,<br>ice cream, baby food  |  |  |  |  |
| Coffee and<br>other hot<br>drinks | Proprietary food<br>drink, cocoa  | Coffee essence<br>coffee ground,<br>coffee extract                             |   | Coffee<br>essence                                | Сосоа  |  | Ground coffee, instant<br>coffee, hot milk drink  |  |  |  |  |
| Catering                          |   |  | From 1968:<br>school meals,<br>canteen meals<br>and teas;<br>restaurant<br>meals, sand-<br>wiches and<br>snacks |  | Fish & chips<br>takeaway,<br>beefburger<br>takeaway; tea<br>and coffee<br>takeaway; dry<br>roasted<br>peanuts                      | Ethnic takeaway  | Restaurant and canteen<br>meals and drinks, pub hot<br>meal, cold snack; school<br>meals. Fish and chips,<br>savoury pies, burgers in<br>bun, kebabs, sandwiches,<br>takeaway coffee & tea, caffe<br>latte, ethnic take-away,<br>pizza delivery / takeaway,<br>soft drinks, crisps, cinema<br>popcorn |  |  |  |  |
| Alcohol                           |   |  |   |  |  |  |   |  |  |  |  |
| Off sales                         |   | Bottled bitter,<br>stout, whisky   | Sherry  | Beer in<br>party<br>containers                   | Cider, vodka,<br>brandy,<br>vermouth,<br>white wine, red<br>wine<br>Beer in party<br>containers                                    | Low alcohol<br>lager   | Canned lager, draught flow<br>bitter; bottled cider & lager,<br>whisky, vodka, brandy, white<br>wine, red wine, sparkling<br>wine, fortified wine, spirit<br>based drink  |  |  |  |  |
| On sales                          | Draught bitter, mild,<br>stout, whisky  | Gin, soda water  | Keg beer  |  | Cider, vodka,<br>wine  | Low alcohol<br>lager   | Draught bitter, lager, stout,<br>cider; bottled lager, cider;<br>whisky, vodka, wine,<br>champagne, liqueurs, spirit<br>based drink, mixer  |  |  |  |  |
| Tobacco                           | Cigarettes, tobacco   |  |   |  |  |  | Cigarettes, tobacco, cigars   |  |  |  |  |

|  | 1947 basket  | Additions to   | o I deletions fro                              | m the baske   | t since the previ  | ious date                                      | 2005 basket   |
|--|--|--|--|---|--|--|---|
|  |  | 1952/56  | 1962   | 1974  | 1987   | 1995   |   |
| Housing                                |  | •  |  |   |  |  |   |
| Rent                                   | Local authority and  | Property rentals   |  |   |  |  | Private furnished &<br>unfurnished, Local authority<br>rent, registered social<br>landlord rent   |
| Local taxation                         | rented unfurnished properties  | Rates  |  |   |  |  | Council Tax, Northern Ireland rates   |
| Water & other<br>charges               |  | Water charges  |  |   |  |  | Water and sewerage charges  |
| Owner<br>occupier<br>housing costs     |  | Imputed rents<br>(from 1956)   |  | Mortgage<br>interest<br>payments<br>(from 1975)<br><i>Imputed rents</i> |  | Housing<br>depreciation                        | Mortgage interest payments,<br>housing depreciation   |
| Repairs and<br>maintenance<br>charges  |  | Charges for<br>representative jobs   |  |   | Local author-<br>ity repairs and<br>maintenance<br>charges,<br>plumber,<br>electrician,<br>decorator   | Gas service<br>charges, DIY<br>equipment hire, | Fees charged by<br>plumbers, electricians,<br>carpenters and decorators,<br>gas service charges   |
| DIY materials                          | Paint brush,<br>distemper  | Emulsion paint<br>Distemper  | Gloss paint,<br>ceiling paper                  | Lining<br>paper, hard-<br>board   | Wall paper,<br>paint<br>stripper, wall-<br>paper paste,<br>ready mixed<br>filler, softwood,<br>power point,<br>door handle,<br>chisel, power<br>drill<br><i>Lining paper</i>                     |  | Ready mixed filler,<br>wallpaper, wallpaper paste,<br>paint varnish, paint brush,<br>various tools – e.g. hammer<br>drill, screwdriver, aluminium<br>ladder, door handle, taps,<br>power point, ceramic tiles,<br>pieces of timber, hire of<br>domestic steam wallpaper<br>stripper                                 |
| Dwelling<br>insurance &<br>ground rent |  |  |  | Dwelling<br>insurance<br>& ground<br>rent (from<br>1975)                |  |  | Dwelling insurance & ground rent  |
| Fuel & light                           | Coal & coke,<br>electricity, gas,<br>candles, lamp oil   | Paraffin<br>Candles, lamp oil  |  | Fuel oil  | Butane gas<br>Paraffin   |  | Coal, smokeless fuel,<br>electricity, gas, butane gas,<br>kerosene  |
| Household goo                          | ods  |  |  |   |  |  |   |
| Furniture                              | Bedroom furniture<br>– e.g. bedstead,<br>wardrobe, cot;<br>Living room<br>furniture e.g. arm-<br>chair, Windsor chair,<br>upholstered settee;<br>dining-room table,<br>kitchen cabinet | Kitchen table,<br>Kitchen chair  |  |   | Kitchen base<br>unit, divan bed,<br>sink unit, self-<br>assembly ward-<br>robe, sofa bed,<br>dining room<br>chair, bedside<br>cabinet<br><i>Kitchen cabinet</i>                                  |  | Dining room furniture – e.g.<br>table, chairs; Bedroom<br>furniture – e.g. wardrobe,<br>beds, wall hanging mirror;<br>Living room furniture – e.g.<br>armchair, sofa bed, leather<br>settee, bookcase, table lamp;<br>Kitchen furniture – various<br>kitchen units; Outdoor<br>furniture – e.g. wooden<br>patio set |
| Furnishings                            | Linoleum, felt-base<br>floor covering,<br>Axminster rug,<br>carpet, sheets,<br>blankets, hair<br>mattress, curtain<br>material – filet and<br>plain net, hand and<br>tea towel         | Sprung mattress,<br>table cloth<br>Curtain material -<br>filet and plain net | Latex backed<br>carpet<br><i>Axminster rug</i> |   | Carpet tiles,<br>vinyl floor<br>covering, net<br>curtain<br>material, ready<br>made curtains,<br>duvets, quilt<br>cover<br>Hair mattress,<br>felt-base floor<br>covering, latex<br>backed carpet | Carpet tiles, net<br>curtain material          | Selected carpets, other floor<br>coverings, rug, curtains,<br>fabric roller blind, duvet,<br>duvet cover, bed sheet,<br>towels  |

|                                 | 1947 basket   | Additions to  | ous date  | 2005 basket                                |  |  |  |
|---------------------------------|---|---|---|--|--|--|--|
|                                 |   | 1952/56   | 1962  | 1974                                       | 1987   | 1995   |  |
| Electrical<br>appliances        | Vacuum cleaner,<br>electric iron  | Electric fire,<br>washing machine   | Refrigerator,<br>cooker   | Night<br>storage<br>heater                 | Fan heater,<br>kettle, hair<br>dryer, toaster,<br>microwave,<br>phone  | Tumble dryer,<br>dishwasher  | Cooker, washing machine,<br>fridge / freezer, microwave,<br>dishwasher, vacuum cleaner,<br>cordless phone, mobile<br>phone handsets, electric<br>shower;<br>Selected small appliances<br>– e.g. iron, kettle, fan heater;<br>Personal appliances – e.g<br>hair dryer, electric razor   |
| Other<br>household<br>equipment | Sewing machine,<br>table mangle, gas<br>fire and cooker,<br>saucepan, tin kettle,<br>wash bowl, broom,<br>earthenware teapot,<br>galvanised bucket,<br>cup, tumbler, lamp | Knives, scissors,<br>half tea service,<br>roasting tin, glass<br>ovenware<br><i>Cup, tin kettle</i> | Oil heater,<br>plastic bucket<br>Mangle,<br>teapot,<br>galvanised<br>bucket |  | Tableware,<br>kitchenware,<br>carpet sweeper<br>Oil heater   | Roasting tin   | Cooker - gas, gas fire;<br>Kitchen equipment – e.g.<br>ovenware, pans, scissors,<br>plastic food container<br>Tableware – e.g. crockery<br>set, cutlery set<br>Glassware – e.g. tumbler  |
| Household<br>consumables        | Soap, soap powder,<br>soap flakes, soda,<br>polishes, matches,<br>writing paper, clean-<br>ing powder   | Soapless deter-<br>gent, ink, toilet<br>paper<br>Soap flakes  |   | Dry cell<br>batteries,<br>electric<br>plug | Ball point pen,<br>kitchen roll,<br>aluminium roll,<br>washing up<br>liquid, house-<br>hold cleaner,<br>electric plug,<br>light bulb,<br>disposable<br>nappies<br>Soda, polishes,<br>matches, clean-<br>ing powder | Dishwasher<br>liquid, washing<br>machine liquid,<br>bin liners<br><i>Soap powder</i> | Washing powder, washing-<br>up liquid, dishwasher tablets,<br>Light bulbs, aluminium foil,<br>toilet rolls, kitchen roll, fabric<br>conditioner, bin liners, house-<br>hold cream cleaner, cleaning<br>cloths, bleach, ball point pen,<br>wrapping paper, envelopes,<br>greeting card, printer paper,<br>inkjet cartridge, clear sticky<br>tape, batteries   |
| Pet care                        |   | Dog biscuit, cat<br>food  |   |  | Cat litter, flea<br>collar, dog<br>kennel fees   | Vets fees<br>Flea collar   | Cat and dog food – moist<br>and dry; Small pet – e.g.<br>hamster , Animal cage, Vets'<br>fees, Annual booster<br>injection, Pet flea drops, Dog<br>kennel boarding fees  |
| Household ser                   | vices   |   |   |  |  | I  | 1  |
| Postage                         | Inland letter, PO<br>poundage   | Money order<br>poundage, parcel<br>postage  |   |  |  |  | Charges for letters, parcels,<br>postal orders   |
| Telecomm-<br>unications         |   | Telephone line<br>rental and call<br>charges, call-box<br>charges                                   |   |  |  |  | British Telecom charges;<br>cable supplier charges;<br>mobile phone charges; cost<br>of directory enquiries;<br>Subscription to the Internet   |
| Domestic<br>services            | Boot and shoe<br>repair, laundry, dry<br>cleaning, watch<br>repair, domestic help   | Replacement of<br>TV tube   |   |  | Playgroup fees<br>Replacement of<br>TV tube  | Childminder,<br>electrical service<br>charge, window<br>cleaning                     | Domestic help, In home care<br>assistant, childminder,<br>gardeners, window cleaning,<br>dry cleaning charges, driving<br>lesson, Home delivery<br>charges, charge for home<br>removals, Self-storage fees,<br>charge various electrical<br>equipment repairs – e.g.<br>washing machine, TV, PC;<br>electrical service charges,<br>charge for watch repairs,<br>cost of catering for a<br>function |

|                           | 1947 basket  | Additions to      | I deletions from  | n the basket   | since the previo  | ous date   | 2005 basket   |
|---------------------------|--|-------------------|---|--|---|--|---|
|                           |  | 1952/56           | 1962  | 1974   | 1987  | 1995   |   |
| Fees and<br>subscriptions |  |                   |   | Driving<br>licence   | Solicitors,<br>estate agent<br>fees, trade<br>union subs,<br>newspaper<br>adverts, various<br>bank fees   | House<br>conveyancing,<br>surveyors fees,<br>private<br>education fees | Trade unions and<br>professional organisations<br>subscriptions, Estate agents<br>& house conveyancing fees,<br>Surveyors' fee, home<br>buyers' survey, Home con-<br>tents' insurance, Fee for<br>birth & death certificates,<br>Marriage licences, Passport;<br>Various bank fees, Foreign<br>exchange commission,<br>Driving test fees, Private<br>school fees, Evening classes,<br>Solicitors' fees, UK University<br>tuition fees, Cost of basic<br>funeral / cremation, Pet<br>insurance, Newspaper<br>adverts |
| Clothing & fo             | otwear   |                   | I   |  |   |  |   |
| Men's outer-<br>wear      | Suits; coats; trousers;<br>overall; work shirt,<br>collar attached; shirt<br>with loose collars  |                   | Slacks, jeans,<br>sweater                                   | Collar<br>attached<br>nylon shirt<br>Shirt with<br>loose collars | Casual jacket/<br>fleece, T-shirt<br>Slacks, nylon<br>shirt, overall  | Casual short-<br>sleeve shirt,<br>tracksuit<br>bottoms                 | Suit, coat, trousers –<br>formal, casual, casual jacket,<br>fleece, jeans, jumper, various<br>shirts, t-shirts, shorts, replica<br>football team shirt, branded<br>sports sweatshirt  |
| Women's<br>outerwear      | Suit; skirt; coats;<br>blouse, dresses;<br>overall   | Jumper/ cardigan  |   | Slacks<br>Overall  | Short sleeve<br>blouse, T-shirt,<br>jeans, tracksuit,<br>jacket<br><i>Slacks</i>  | Leggings   | Blouses, skirts, dresses,<br>trousers, jeans, t-shirt, tops,<br>shorts, cardigan, jackets,<br>coats, jumper, rainwear,<br>swimwear  |
| Children's<br>outerwear   | Boys' 2-piece suit,<br>jersey, raincoat, shirt;<br>Girls' woollen gym<br>tunic, dress, over-<br>coat;<br>Infant's smocked<br>frock, infant's pram<br>set, gown   | Gown              | Boy's blazer<br>Boys' 2-piece<br>suit, infant's<br>pram set |  | Jeans, shorts,<br>babygro,<br>dungarees<br>Girl's woollen<br>gym tunic; boy's<br>blazer, infant's<br>smocked frock  | Boy's short<br>sleeve shirt  | Schoolwear – trousers, skirts,<br>tops – sports and fashion,<br>dresses, jeans, jumpers/<br>sweatshirts, jackets, babygro/<br>sleepsuit, infants' trousers<br>– e.g. jeans  |
| Other clothing            | Hats, cap, vest,<br>pants and trunks,<br>socks; gloves; slip<br>(rayon), knickers;<br>corset, hose, nursery<br>squares<br>Clothing materials:<br>Rayon, woollen,<br>winceyette,<br>flannelette, knitting<br>wool | Tie<br><i>Cap</i> | Girdle  |  | Women's<br>night-dress,<br>bra, swimwear<br>Wool and<br>cotton dress<br>material<br>Hose, nursery<br>squares, corset,<br>girdle, rayon,<br>woollen,<br>winceyette,<br>flannelette |  | Underwear – e.g. pants and<br>bra, socks, tights, nightwear<br>– e.g. nightdress/pyjamas,<br>tie, scarf, baseball caps,<br>knitting wool  |
| Footwear                  | Men's: boots; shoes<br>Women's: Shoes,<br>slippers; fashion<br>shoes<br>Children's: boots,<br>shoes, plimsolls,<br>Wellingtons, sandals  | Children's boots  |   |  | Trainers<br>Men's boot  |  | Shoes – formal, school,<br>casual and fashion; boots<br>– formal, fashion and<br>outdoor/adventure; training<br>shoes – sportswear and<br>casual; sandals, slippers,<br>wellingtons   |

|                                    | 1947 basket   | Additions to  | ous date                  | 2005 basket  |  |   |  |
|------------------------------------|---|---|---------------------------|--|--|---|--|
|                                    |   | 1952/56   | 1962                      | 1974   | 1987   | 1995  |  |
| Personal good                      | s & services  |   |                           |  |  |   |  |
| Personal<br>articles               | Alarm clock,<br>spectacles  | Suitcase  | Wrist watch               |  | Umbrella,<br>wallet, gold<br>chain, silver<br>jewellery  | Contact lens  | Umbrella, handbag, watch,<br>spectacle frames, prescrip-<br>tion lenses, contact lenses,<br>luggage – trolley case,<br>flower vase, picture / photo<br>frame, wall hanging mirror,<br>Sunglasses, various items of<br>personal jewellery   |
| Chemists<br>goods                  | Aspirin, tooth paste,<br>sanitary towels,<br>razor blades, cod<br>liver oil, cold cream | NHS prescription<br>charges,<br>surgical lint,<br>shaving cream,<br>hair cream,<br>cosmetics,<br>antiseptic<br>ointment                                   |                           | Facial tissue<br>and paper<br>handker-<br>chief                      | Indigestion<br>tablets, anti-<br>septic cream,<br>moisturising<br>cream,<br>deodorant<br>spray,<br>disposable<br>nappies,<br>shaving foam,<br>after shave,<br>tampons<br><i>Surgical lint,</i><br><i>shaving cream,</i><br><i>hair cream</i> | Condoms, dis-<br>posable razors,<br>contact lens<br>solution<br>Razor blades                        | NHS prescription charges,<br>multi-vitamins tablets,<br>condoms, tampons, dispos-<br>able nappies, tissues, contact<br>lens solution, indigestion<br>tablets, pain killer tablets,<br>plasters, toilet soap, tooth-<br>paste, deodorant, shower<br>gel, shampoo, hair gel; per-<br>manent hair colourant, razor<br>cartridge blades, sunscreen<br>cream / lotion, Various<br>cosmetics – e.g. lipstick, face<br>cream, perfume, mascara  |
| Personal<br>services               | Hairdressing  |   |                           |  |  | Dental charges,<br>eyesight test<br>charges, private<br>health insur-<br>ance, delivered<br>flowers | Hairdressing charges, full leg<br>wax, basic manicure, dental<br>charges, eye tests charges,<br>dental insurance, private<br>health insurance, private<br>surgery fees, Non NHS<br>medical services – e.g.<br>physiotherapy, chiropractic<br>medicine, residential and<br>nursing home fees, slimming<br>club fees, delivered flowers  |
| Motoring<br>expenditure            | Petrol, motor cycle<br>licence  | Second hand cars<br>purchase, speci-<br>fied maintenance<br>jobs, car and<br>motorcycle tyres,<br>battery, engine oil,<br>car licence, motor<br>insurance | Motor scooter<br>purchase | MOT test,<br>subscript-<br>ions to<br>motoring<br>organisat-<br>ions | Spare parts,<br>diesel,<br>unleaded petrol   | 2 star petrol   | Purchase of motor vehicles:<br>Second-hand cars, Proxy for<br>new cars, new and second-<br>hand motorcycles, caravans;<br>car service, MOT test fee,<br>roadside recovery services,<br>car steering lock, automatic<br>car wash, hourly labour<br>charge for car mechanical<br>repairs, selected spare parts<br>and accessories – e.g. wiper<br>blade, battery, tyres;<br>Ultra low sulphur petrol,<br>Ultra low sulphur diesel,<br>Motor oil, vehicle excise<br>duty, car insurance |
| Fares and<br>other travel<br>costs | Pedal cycle, pram,<br>rail fares, bus and<br>tram fares                                 | Coach fares,<br>bicycle tyres   |                           | Bicycle tyres  | Self-drive van<br>hire, taxi fares   | Self drive car<br>hire, minicab<br>fares, sea fares   | Rail fares, EuroTunnel fares,<br>bus and coach fares<br>Taxi fares, minicab fares,<br>self-drive car and van hire<br>charges, sea fares, air fares,<br>road tolls, bicycles, boats, car<br>park charges  |

|   | 1947 basket                               | Additions to  | I deletions from  | n the basket   | since the previo  | ous date   | 2005 basket  |
|---|---|---|---|--|---|--|--|
|   |   | 1952/56   | 1962  | 1974   | 1987  | 1995   |  |
| Leisure goods                           | 1   |   |   |  |   | L  | 1  |
| Audio-visual<br>equipment               | Radio set                                 | TV mono   |   | Record<br>player,<br>cassette<br>recorder<br>(both 1977)           | Music centre,<br>personal<br>cassette player,<br>colour TV,<br>VHS recorder,<br>clock radio, CD<br>player<br>Radio set, record<br>player, cassette<br>recorder                      | Personal stereo<br>radio cassette,<br>portable radio<br>cassette, midi<br>Hi-Fi<br><i>Music centre,</i><br><i>stacked stereo,</i><br><i>personal cassette</i><br><i>player, TV mono,</i><br><i>clock radio</i> | Colour televisions, Video<br>recorder, Portable CD/radio<br>cassette player, Personal CD<br>player, Audio systems, DVD<br>player, Car CD/radio, PCs<br>– desktop and laptop, PC<br>peripherals   |
| CDs and tapes                           | Gramophone record                         |   |   |  | Pre recorded<br>cassette, blank<br>audio and<br>video cassettes   | CD, blank and<br>pre-recorded<br>video, computer<br>diskettes<br><i>Vinyl records</i>  | Pre-recorded and blank<br>video cassettes, Pre-recorded<br>DVDs, CDs, Recordable CDs,<br>Selected CD-ROMs  |
| Toys,<br>photographic<br>& sports goods | Tennis racket                             | Football boots,<br>camera film,<br>develop & print<br>black & white film,<br>various toys | Diecast metal<br>toy, colour<br>films and<br>processing |  | Camera, golf<br>balls, darts,<br>squash racket,<br>sleeping bag,<br>board game,<br>child's cycle,<br>cine film<br><i>Black &amp; white</i><br><i>films and</i><br><i>processing</i> | Computer<br>games and<br>consoles,<br>camcorder<br><i>Cine film</i>  | Various toys – e.g. soft toys,<br>construction toys, activity<br>toys, dolls, board games,<br>computer games consoles,<br>computer games, digital<br>camera, disposable cam-<br>era, film, film processing,<br>acoustic guitar, sleeping bag,<br>barbecue (gas), sports equip-<br>ment – e.g. golf balls, squash<br>racquet, football, fishing rod,<br>football boots  |
| Books and newspapers                    | Newspapers, books,<br>adult periodicals   | Children's<br>periodicals   |   |  |   |  | Newspapers, books and periodicals  |
| Gardening<br>products                   | Digging fork                              |   |   | Plants,<br>flowers and<br>horticultural<br>goods                   |   |  | Compost, selected plants<br>– bushes, cut flowers, seeds;<br>garden sundries – e.g.<br>garden spade, gloves, pot;<br>lawnmowers, grass/edge,<br>strimmer   |
| Leisure service                         | s   |   |   |  |   |  |  |
| TV licences<br>and rentals              | Radio licence                             | TV licence, TV set<br>rental  |   |  | VCR and film<br>rental, colour<br>TV rental<br>Radio licence  | Satellite and<br>digital TV<br>monthly sub-<br>scription fees &<br>installation fees   | TV licence fees; Rental of<br>TVs, DVD, video cassette<br>recorder, video / DVD films;<br>Digital TV monthly subscrip-<br>tion fees & installation fees;<br>Cable TV subscriptions   |
| Entertainment<br>& other<br>recreation  | Cinema admissions;<br>football admissions | Dance hall<br>admission, youth<br>club subscription                                       |   | Admission<br>to historical<br>monu-<br>ments,<br>swimming<br>pools | Nightclub,<br>theatre, bingo<br>admissions.<br>Evening<br>classes.<br>Dance hall<br>admission, youth<br>club subscription   | Squash court<br>hire, Admission<br>to: attractions,<br>leisure centres   | Squash court hire, evening<br>class fees; Play-groups,<br>Private health club / gym<br>membership;<br>Charges for exercise classes,<br>Ten-pin bowling session,<br>golf green fees, Horse racing<br>admissions; Admission to:<br>cinemas, theatres, dancing,<br>live music, football matches,<br>historic monuments,<br>museums, leisure parks and<br>other attractions, swimming<br>pools, leisure centres; |
| Holidays                                |   |   |   |  |   | Foreign holidays<br>and insurance;<br>UK holidays  | Foreign holidays and insurance; UK Holidays  |

# Appendix 2: Calendar of selected events

| 1947 | November:                    | Increase in duty on alcohol   |
|------|------------------------------|---|
| 1948 | April:                       | Increase in duty on alcohol and tobacco   |
| 1949 | April:                       | Cut in alcohol duty   |
| 1950 | April:                       | Fish and rabbits freed from price control   |
|      | April:                       | Fall in alcohol index due to strength of beer being<br>raised without any increase in price   |
| 1951 | May:                         | Increase in alcohol duty  |
|      | October:                     | Increase in tobacco duty  |
| 1952 | March:                       | price controls on clothing lifted, and clothing becomes subject to purchase tax   |
| 1953 | Price contro<br>Reduction in | ls removed from flour, sausages, eggs, sugar, syrup, etc<br>n purchase tax, affecting household durable goods   |
| 1954 | Price contro<br>and some fi  | lls removed from meat, butter, margarine, cooking fat<br>ish products   |
| 1955 | October:                     | Increase in purchase tax, affecting household durable goods   |
|      |                              | First increase in tobacco duty since 1951   |
| 1956 | May:                         | Increase in tobacco duty  |
|      | September:                   | Price controls removed from bread, leaving only milk prices subject to control  |
| 1957 | April:                       | Reduction in purchase tax, affecting durable household goods  |
| 1958 | Retail price                 | of coal and coke decontrolled   |
| 1959 | April:                       | Cut in alcohol duty – first change in alcohol duty since 1951   |
| 1960 | April:                       | Increase in tobacco duty – first change in tobacco duty since 1956  |
| 1961 | August:                      | Budget increases in alcohol and tobacco duties  |
| 1964 | May:                         | First change in alcohol and tobacco duties since 1961   |
| 1965 | April:                       | Increase in alcohol duty  |
| 1967 | Implementa<br>incomes ho     | tion of 'period of severe restraint' on prices and<br>lds down prices for first nine months of the year   |
| 1968 | December:                    | Increase in alcohol, tobacco and petrol duties and  |
|      |                              | motor vehicle licences  |
| 1969 | June:                        | Wool and clothing materials become subject to purchase tax  |
| 1972 | November:                    | Introduction of counter-inflation measures in<br>November to restrict increases on most goods other<br>than fresh foods: in the following two months there<br>were only small increases in the non-food sector  |
| 1973 | April:                       | VAT introduced at a standard rate of 10 per cent,<br>accompanied by the scrapping of purchase tax and<br>the reduction of excise duties on alcohol and tobacco.<br>Scrapping of purchase tax leads to price reductions on<br>electrical appliances and certain miscellaneous goods<br>which were subject to higher rate purchase tax. For<br>many other products, the introduction of VAT leads to<br>price increases |
| 1973 | October:                     | Outbreak of Middle East War followed by cut in oil<br>supplies and quadrupling of oil prices  |
| 1974 | April:                       | VAT extended to petrol  |
|      | July:                        | General reduction in the rate of VAT to 8 per cent  |
|      | December:                    | VAT rate for petrol raised to 25 per cent   |

| 1974  | Introduction of subsidies on bread, flour, tea and cheese, in<br>addition to those already in place on milk and butter; these were<br>gradually removed over the course of the next few years |   |  |  |  |  |  |  |  |
|-------|---|---|--|--|--|--|--|--|--|
| 1975  | April: Substantial increases in duty on alcohol, tobacco and<br>in the road fund licence. Extension of the 25 per cen<br>rate of VAT to cover a wide range of luxury goods                    |   |  |  |  |  |  |  |  |
| 1976  | April:  | Highest rate of VAT cut from 25 per cent to 12.5 per cent, but offsetting increases in duty on petrol, alcohol and tobacco                                      |  |  |  |  |  |  |  |
| 1976  | 'Price check<br>tributors an<br>wide range  | ", a voluntary agreement between manufacturers, dis-<br>d government limited price increases to 5 per cent on a<br>of consumer goods from February to August    |  |  |  |  |  |  |  |
| 1976  | November:   | Bank of England 'base rate' reaches 14.75 per cent  |  |  |  |  |  |  |  |
| 1977  | March budg<br>road fund li  | jet increases duties on petrol, alcohol and tobacco and cence   |  |  |  |  |  |  |  |
| 1977  | October:  | Bank of England base rate falls to 5.0 per cent   |  |  |  |  |  |  |  |
| 1979  | June:   | Incoming Conservative government raises VAT rates<br>to 15 per cent while cutting direct taxes on earned<br>income  |  |  |  |  |  |  |  |
| 1979  | November:   | Bank of England base rate reaches 17 per cent   |  |  |  |  |  |  |  |
| 1981, | 1984, 1986  | Budgets: substantial increases in tobacco duty  |  |  |  |  |  |  |  |
| 1988  | May:  | Bank of England base rates falls to below 7.5 per cent<br>before rising to a little under 13 per cent by the year-<br>end                                       |  |  |  |  |  |  |  |
|       |   | 3rd quarter: house price inflation peaks at 33 per cent   |  |  |  |  |  |  |  |
| 1989  | April:  | Community Charge replaces rates in Scotland   |  |  |  |  |  |  |  |
|       | October:  | Bank of England base rate rises to just under 15 per cent   |  |  |  |  |  |  |  |
| 1990  | April:  | Community Charge replaces rates in England and Wales  |  |  |  |  |  |  |  |
| 1991  | April:  | VAT rate raised by 2.5 per cent to 17.5 per cent ;<br>proceeds used to reduce Community Charge bills by<br>30 per cent  |  |  |  |  |  |  |  |
| 1992  |   | 4th quarter: Annual fall in house prices reaches –7 per cent  |  |  |  |  |  |  |  |
| 1993  | March:  | VAT imposed on domestic fuel  |  |  |  |  |  |  |  |
|       |   | Fuel Price Escalator introduced to annually raise petrol<br>prices above the rate of inflation. Initally set at 3 per<br>cent but later increases to 5 per cent |  |  |  |  |  |  |  |
| 1993  | April:  | Council Tax replaces the Community Charge   |  |  |  |  |  |  |  |
| 1997  | May:  | Chancellor announces operational independence for<br>the Bank of England with decisions on interest rates to<br>be taken by a new Monetary Policy Committee     |  |  |  |  |  |  |  |
| 1997  | July:   | Government sets inflation target of 2.5 per cent, based<br>on RPI excluding mortgage interest payments (RPIX)   |  |  |  |  |  |  |  |
| 2000  |   | Budget: Government scraps the fuel price escalator  |  |  |  |  |  |  |  |
| 2001  | February:   | Outbreak of foot and mouth disease  |  |  |  |  |  |  |  |
| 2002  | October:  | House price inflation peaks at 30 per cent  |  |  |  |  |  |  |  |
| 2003  | July:   | Bank of England base rate falls to 3.5 per cent   |  |  |  |  |  |  |  |
|       | December:   | Government announces change in inflation measure to<br>one based on the Consumer Prices Index (CPI). Target<br>set at 2 per cent                                |  |  |  |  |  |  |  |



# 1. Summary

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# Notes to tables

## Identification codes

The four-letter identification code at the top of each data column is the ONS reference for this series of data on our database. Please quote the relevant code if you contact us requiring any further information about the data.

#### Currency of data

All data in the tables and accompanying charts are current, as far as possible, to 10 January 2006.

Some data, particularly for the latest time period, are provisional and may be subject to revision in later editions.

#### Geographic coverage

Statistics relate mainly to the United Kingdom. Where figures are for Great Britain only, this is shown on the table.

#### Seasonal adjustments

Almost all quarterly data are seaonally adjusted; those not seasonally adjusted are indicated by the abbreviation NSA.

#### Money

There is no single correct definition of money. The most widely used measures are:

# M0

This is the narrowest measure and consists of notes and coins in circulation outside the Bank of England and bankers' operational deposits at the Bank.

#### M4

This comprises notes and coin in circulation with the public, together with all sterling deposits (including certificates of deposit) held with UK banks and building societies by the rest of the private sector.

The Bank of England also publish data for liquid assets outside M4.

#### Conventions

Rounding may lead to inconsistencies between the constituent parts and the total in some tables. A horizontal line between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. Footnotes explain the differences.

Billion denotes one thousand million.

#### Symbols used

- .. not available
- nil or less than half the final digit shown
- + a series for which measures of variability are given on page 135
- data have been revised since the last edition; the period marked is the earliest in the table to have been revised
- \* average (or total) of five weeks

# National Statistics Online

www.statistics.gov.uk

Users can download time series, crosssectional data and metadata from across the Government Statistical Service (GSS), using the site search and index functions from the homepage. Many datasets can be downloaded, in whole or in part, and directory information for all GSS statistical resources can be consulted, including censuses, surveys, journals and enquiry services. Information is posted as PDF electronic documents, or in XLS and CSV formats, compatible with most spreadsheet packages.

#### **Time Series Data**

The time series data facility on the website provide access to around 40,000 time series, of primarily macroeconomic data, drawn from the main tables in our major economic and labour market publications. Users can download complete releases or view and download customised selections of individual time series.

Complete copies of *Economic Trends* can be downloaded from the following webpage:

http://www.statistics.gov.uk/statbase/ product.asp?vlnk=308

# 1.1 Selected monthly indicators

#### seasonally adjusted unless otherwise stated

|  |  | 2003   | 2004   | 2005  | 2005  | 2005  | 2005<br>Sep                                      | 2005<br>Oct                                       | 2005<br>Nov                           | %Change<br>Latest 3<br>months<br>avg over<br>previous 3<br>months |
|--|--|--|--|---|---|---|--|---|---------------------------------------|---|
| Output -chained volume measures (CVM)<br>(2002 = 100 unless otherwise stated)  |  |  |  | Q,  | GL  | do  | 000  | 001   | 1101                                  |   |
| Gross value added at basic prices<br>Industrial production<br>Oil and gas extraction<br>Manufacturing<br>Construction<br>Car production (thousands)  | CGCE<br>CKYW<br>CKZO<br>CKYY<br>GDQB<br>FFAO | 102.5<br>99.5<br>94.4<br>100.1<br>105.2<br>138.1   | 105.6<br>100.3<br>86.2<br>101.9<br>108.7<br>137.2  | 106.6<br>99.2<br>81.2<br>101.5<br>109.8<br>138.4  | 107.2<br>99.1<br>81.4<br>101.3<br>110.1<br>131.7  | 107.6<br>98.6<br>74.5<br>101.6<br>110.6<br>138.9  | <br>98.6<br>76.1<br>101.3<br><br>136.0           | <br>97.6<br>74.5<br>100.6<br><br>126.0            | <br><br><br>135.1                     | 0.4<br>-1.1<br>-7.7<br>-0.3<br>0.5<br>- 2.1                       |
| Domestic demand  |  |  |  |   |   |   |  |   |                                       |   |
| Retail sales volume (2000 = 100)<br>GB new registrations of cars ('000s) <sup>1</sup><br>Manufacturing:change in inventories (£m,CVM, reference year 2002)   | EAPS<br>BCGT<br>) DHBM                       | 116.6<br>2646.2<br>-727                            | 123.5<br>2598.8<br>-873                            | 124.9<br>697.9<br>540                             | 125.6<br>594.4<br>-244                            | 126.2<br>677.1<br>-1                              | 126.7<br>417.6<br>                               | 127.2<br>153.9<br>                                | 128.1<br><br>                         | 1.0<br>11.0   |
| Prices (12 monthly % change)<br>and earnings (3 month average)   |  |  |  |   |   |   |  |   |                                       |   |
| Consumer prices index <sup>1</sup><br>Retail prices index <sup>1</sup><br>Retail prices index <sup>1</sup> (less MIPS) <sup>2</sup><br>Producer output prices (less FBTP) <sup>3</sup><br>Producer input prices <sup>4</sup><br>GB average earnings -whole economy <sup>5</sup>                          | CJYR<br>CZBH<br>CDKQ<br>EUAA<br>EUAB<br>LNNC | 1.4<br>2.9<br>2.8<br>1.3<br>1.4                    | 1.3<br>3.0<br>2.2<br>1.9<br>4.0                    | 1.7<br>3.2<br>2.2<br>2.5<br>10.6<br>4.5           | 1.9<br>3.0<br>2.2<br>2.4<br>9.9<br>4.1            | 2.4<br>2.8<br>2.4<br>2.2<br>12.7<br>4.1           | 2.5<br>2.7<br>2.5<br>2.1<br>10.7<br>4.1          | 2.3<br>2.5<br>2.4<br>1.3<br>8.9<br>3.6            | 2.1<br>2.4<br>2.3<br>1.2<br>12.5<br>  |   |
| Foreign trade <sup>6</sup><br>(2002 = 100 volumes unless otherwise stated)   |  |  |  |   |   |   |  |   |                                       |   |
| UK balance on trade in goods (£ million)<br>Non EU balance on trade in goods (£ million)<br>Non EU exports of goods (excl oil & erratics)<br>Non EU imports of goods (excl oil & erratics)<br>Non EU import & price index (excl oil) <sup>7</sup><br>Non EU export & price index (excl oil) <sup>7</sup> | BOKI<br>LGDT<br>SHDJ<br>SHED<br>LKWQ<br>LKVX | -47864<br>-22036<br>108.7<br>105.1<br>96.8<br>97.7 | -60414<br>-29590<br>113.2<br>116.4<br>94.7<br>96.4 | -15746<br>-7953<br>114.9<br>117.9<br>95.9<br>97.1 | -14747<br>-6321<br>134.0<br>121.4<br>97.2<br>97.6 | -16986<br>-8271<br>132.9<br>120.3<br>99.2<br>98.3 | -5600<br>-2645<br>142.3<br>122.1<br>98.5<br>98.0 | -4552<br>-2157<br>140.9<br>119.4<br>100.3<br>98.8 | <br><br><br>                          | 5.2<br>2.3  |
| Labour market and productivity<br>(2002 = 100 unless otherwise stated)   |  |  |  |   |   |   |  |   |                                       |   |
| UK claimant unemployment (thousands)<br>UK employees in manufacturing (thousands)<br>Whole economy productivity <sup>8</sup><br>Manufacturing productivity <sup>8</sup><br>Unit wage costs - whole economy<br>Unit wage costs - manufacturing  | BCJD<br>YEJA<br>LNNN<br>LNNX<br>LNNK<br>LNNQ | 933.3<br>3 411<br>101.6<br>104.5<br>101.7<br>99.1  | 853.6<br>3 255<br>103.8<br>111.0<br>103.5<br>96.7  | 820.9<br>3 168<br>104.2<br>112.9<br>105.9<br>97.4 | 853.8<br>3 132<br>104.5<br>114.0<br>106.1<br>96.5 | 870.0<br>3 106<br>104.6<br>115.3<br>106.5<br>97.3 | 878.0<br>3 106<br><br>115.1<br><br>97.8          | 891.5<br>3 094<br><br>114.8<br><br>98.3           | 902.0<br><br><br>                     | 2.9<br>-0.9<br>0.1<br>0.3<br>0.4<br>1.6                           |
| Financial markets <sup>1</sup>   |  |  |  |   |   |   |  |   |                                       |   |
| Sterling ERI (1990=100)<br>Average exchange rate /US \$<br>Average exchange rate /Euro <sup>9</sup><br>3 month inter-bank rate <sup>10</sup><br>3 month interest on US Treasury bills <sup>11</sup>  | AGBG<br>AUSS<br>THAP<br>HSAJ<br>LUST         | 100.2<br>1.63<br>1.45<br>3.95<br>0.93              | 104.1<br>1.83<br>1.47<br>4.81<br>2.18              | 102.9<br>1.89<br>1.44<br>4.90<br>2.73             | 104.3<br>1.86<br>1.47<br>4.69<br>3.06             | 102.9<br>1.78<br>1.46<br>4.52<br>3.47             | 103.9<br>1.81<br>1.48<br>4.52<br>3.47            | 103.1<br>1.76<br>1.47<br>4.54<br>3.89             | 103.2<br>1.73<br>1.47<br>4.55<br>3.86 | -0.1<br>-1.1<br>0.2   |
| Monetary conditions/government finances  |  |  |  |   |   |   |  |   |                                       |   |
| M0 (year on year percentage growth)<br>M4 (year on year percentage growth)<br>Public sector net borrowing (£ million) <sup>1,12</sup><br>Net lending to consumers (£ million)(broader)   | VQMX<br>VQJW<br>ANNX<br>RLMH                 | 7.3<br>7.2<br>-34755<br>20251                      | 6.0<br>8.6<br>-39351<br>22992                      | 5.5<br>10.6<br>-991<br>5912                       | 4.3<br>10.6<br>-15174<br>4 407                    | 5.4<br>11.4<br>-7554<br>3 459                     | 5.4<br>11.3<br>-5374<br>1170                     | 5.3<br>11.6<br>573<br>1210                        | 5.5<br>12.1<br>-9284<br>927           | -11.6   |
| 2004 2004<br>Nov Dec   | 2005<br>Jan                                  | 2005 20<br>Feb M                                   | 05 2005<br>Iar Ap                                  | 5 2005<br>r May                                   | 2005<br>Jun                                       | 2005 2<br>Jul                                     | 2005 2<br>Aug                                    | 2005 2<br>Sep                                     | 2005 20<br>Oct N                      | 005 2005<br>Nov Dec   |

CBI output expectations balance<sup>1</sup> CBI optimism balance<sup>1</sup> CBI price expectations balance New engineering orders (2000 = 100)

1 Not seasonally adjusted

Activity and expectations

2 MIPS: mortgage interest payments 3 FBTP:food, beverages, tobacco and petroleum 4 See footnote 2 on Table 3.1.

ETCU

ETBV

ETDQ

JIQH

5 See footnote 2 on Table 4.6 6 All Non EU figures exclude Austria, Finland & Sweden 7 12 monthly percentage change

8 Output per filled job.

9

.. 11

77.1

10 -22 15

79.6

19

.. 10

78.5

5

12

79.2

- 6

.. 9

82.5

5 -15 3 77.9

- 1

.. -3 80.6

- 5

.. -5

79.5

9 Prior to January 1999, a synthetic Euro has been calculated by geometrically averaging the bilateral exchange rate of the 11 Euro-area countries using "internal weights" based on each country's share of the extra Euro-area trade

6

-16

79.4

-9

3

.. -8

87.0

6 2 -21

-6

78.9

-4

81.2

10 Last Friday of the period 11 Last working day

12 Annual figures are for the financial years 2003/04 and 2004/05.

- 4

.. -1

- 4

.. -1

..

# 2.1 National accounts aggregates

|            | £ mi   | illion  | Indices (2002 = 100)  |  |   |  |   |                                |                     |  |  |  |  |  |
|------------|--|---|---|--|---|--|---|--------------------------------|---------------------|--|--|--|--|--|
|            | At currer  | nt prices                                       | Value indices at  | current prices                                   | Cha   | ained volume ind                                 | lices   | Implied deflators <sup>2</sup> |                     |  |  |  |  |  |
|            | Gross<br>domestic<br>product at<br>market prices | Gross<br>value added<br>(GVA)at basic<br>prices | Gross<br>domestic<br>product at<br>market prices <sup>1</sup> | Gross<br>Value added<br>(GVA) at basic<br>prices | Gross<br>national<br>disposable<br>income at<br>market prices | Gross<br>domestic<br>product at<br>market prices | Gross<br>value added<br>(GVA) at basic<br>prices+ | GDP at market<br>prices        | GVA at basic prices |  |  |  |  |  |
| Annual     | YBHA   | ABML  | YBEU  | YBEX   | YBFP  | YBEZ   | CGCE  | YBGB                           | CGBV                |  |  |  |  |  |
| 2000       | 953 576  | 841 505   | 91.0  | 90.4   | 93.5  | 95.9   | 96.4  | 94.8                           | 93.8                |  |  |  |  |  |
| 2001       | 996 758  | 883 412   | 95.1  | 94.9   | 96.4  | 98.0   | 98.3  | 97.0                           | 96.5                |  |  |  |  |  |
| 2002       | 1 048 456  | 930 796   | 100.0   | 100.0  | 100.0   | 100.0  | 100.0   | 100.0                          | 100.0               |  |  |  |  |  |
| 2003       | 1 105 919  | 981 732   | 105.5   | 105.5  | 102.6   | 102.5  | 102.5   | 102.9                          | 102.9               |  |  |  |  |  |
| 2004       | 1 164 941 <sup>T</sup>                           | 1 033 573 <sup>T</sup>                          | 111.1 <sup>T</sup>  | 111.0  | 106.0 <sup>T</sup>  | 105.8  | 105.6   | 105.0                          | 105.2 <sup>T</sup>  |  |  |  |  |  |
| Quarterly  |  |   |   |  |   |  |   |                                |                     |  |  |  |  |  |
| 2000 Q1    | 234 970  | 207 333   | 89.6  | 89.1   | 92.9  | 95.0   | 95.4  | 94.3                           | 93.4                |  |  |  |  |  |
| Q2         | 236 346  | 208 163   | 90.2  | 89.5   | 93.1  | 95.6   | 96.1  | 94.3                           | 93.1                |  |  |  |  |  |
| Q3         | 239 522  | 211 428   | 91.4  | 90.9   | 94.4  | 96.3   | 96.9  | 94.9                           | 93.7                |  |  |  |  |  |
| Q4         | 242 738  | 214 581   | 92.6  | 92.2   | 93.6  | 96.7   | 97.3  | 95.7                           | 94.8                |  |  |  |  |  |
| 2001 Q1    | 245 674  | 217 424   | 93.7  | 93.4   | 95.6  | 97.5   | 97.9  | 96.2                           | 95.4                |  |  |  |  |  |
| Q2         | 248 157  | 219 709   | 94.7  | 94.4   | 96.0  | 97.8   | 98.2  | 96.8                           | 96.1                |  |  |  |  |  |
| Q3         | 249 239  | 221 127   | 95.1  | 95.0   | 96.9  | 98.2   | 98.4  | 96.9                           | 96.5                |  |  |  |  |  |
| Q4         | 253 688  | 225 152   | 96.8  | 96.8   | 97.2  | 98.7   | 98.8  | 98.1                           | 97.9                |  |  |  |  |  |
| 2002 Q1    | 257 004  | 227 916   | 98.1  | 97.9   | 98.7  | 99.2   | 99.3  | 98.9                           | 98.7                |  |  |  |  |  |
| Q2         | 261 090  | 232 002   | 99.6  | 99.7   | 99.2  | 99.7   | 99.7  | 99.9                           | 100.0               |  |  |  |  |  |
| Q3         | 264 065  | 234 484   | 100.7   | 100.8  | 101.0   | 100.4  | 100.3   | 100.4                          | 100.4               |  |  |  |  |  |
| Q4         | 266 297  | 236 394   | 101.6   | 101.6  | 101.1   | 100.7  | 100.7   | 100.9                          | 100.9               |  |  |  |  |  |
| 2003 Q1    | 270 583  | 240 537   | 103.2   | 103.4  | 102.3   | 101.4  | 101.4   | 101.8                          | 102.0               |  |  |  |  |  |
| Q2         | 274 053  | 243 452   | 104.6   | 104.6  | 101.6   | 101.9  | 101.8   | 102.6                          | 102.7               |  |  |  |  |  |
| Q3         | 278 966  | 247 512   | 106.4   | 106.4  | 102.8   | 102.9  | 102.9   | 103.4                          | 103.4               |  |  |  |  |  |
| Q4         | 282 317  | 250 231   | 107.7   | 107.5  | 103.9   | 103.9  | 103.9   | 103.7                          | 103.5               |  |  |  |  |  |
| 2004 Q1    | 285 467 <sup>†</sup>                             | 252 721 <sup>†</sup>                            | 108.9 <sup>†</sup>  | 108.6 <sup>†</sup>                               | 104.7 <sup>†</sup>  | 104.8 <sup>†</sup>                               | 104.7 <sup>†</sup>                                | 103.9 <sup>†</sup>             | 103.7 <sup>†</sup>  |  |  |  |  |  |
| Q2         | 289 569  | 256 760   | 110.5   | 110.3  | 105.9   | 105.7  | 105.5   | 104.5                          | 104.6               |  |  |  |  |  |
| Q3         | 292 511  | 259 740   | 111.6   | 111.6  | 105.2   | 106.0  | 105.8   | 105.2                          | 105.5               |  |  |  |  |  |
| Q4         | 297 394  | 264 352   | 113.5   | 113.6  | 108.1   | 106.6  | 106.4   | 106.4                          | 106.8               |  |  |  |  |  |
| 2005 Q1    | 297 755  | 264 318   | 113.6   | 113.6  | 106.8   | 106.9  | 106.6   | 106.3                          | 106.5               |  |  |  |  |  |
| Q2         | 302 218  | 268 052   | 115.3   | 115.2  | 108.6   | 107.4  | 107.2   | 107.4                          | 107.5               |  |  |  |  |  |
| Q3         | 303 231  | 268 282   | 115.7   | 115.3  | 106.7   | 107.8  | 107.6   | 107.3                          | 107.2               |  |  |  |  |  |
| Percentage | change, quarter                                  | on corresponding                                | g quarter of previou  | us year <sup>3</sup>                             |   |  |   |                                |                     |  |  |  |  |  |
| Quarterly  |  |   |   |  |   |  |   |                                |                     |  |  |  |  |  |
| 2000 Q1    | 6.1  | 5.7   | 6.1   | 5.7  | 5.2   | 4.3  | 4.2   | 1.6                            | 1.4                 |  |  |  |  |  |
| Q2         | 5.2  | 4.8   | 5.2   | 4.8  | 4.3   | 4.5  | 4.4   | 0.7                            | 0.4                 |  |  |  |  |  |
| Q3         | 5.1  | 5.2   | 5.1   | 5.2  | 4.8   | 4.1  | 4.3   | 1.0                            | 0.9                 |  |  |  |  |  |
| Q4         | 4.9  | 5.3   | 4.9   | 5.3  | 2.4   | 3.2  | 3.4   | 1.5                            | 1.9                 |  |  |  |  |  |
| 2001 Q1    | 4.6  | 4.9   | 4.6   | 4.9  | 2.9   | 2.6  | 2.6   | 2.0                            | 2.1                 |  |  |  |  |  |
| Q2         | 5.0  | 5.5   | 5.0   | 5.5  | 3.1   | 2.3  | 2.2   | 2.7                            | 3.2                 |  |  |  |  |  |
| Q3         | 4.1  | 4.6   | 4.1   | 4.6  | 2.6   | 2.0  | 1.5   | 2.1                            | 3.0                 |  |  |  |  |  |
| Q4         | 4.5  | 4.9   | 4.5   | 4.9  | 3.8   | 2.1  | 1.6   | 2.5                            | 3.3                 |  |  |  |  |  |
| 2002 Q1    | 4.6  | 4.8   | 4.6   | 4.8  | 3.2   | 1.7  | 1.4   | 2.8                            | 3.5                 |  |  |  |  |  |
| Q2         | 5.2  | 5.6   | 5.2   | 5.6  | 3.3   | 1.9  | 1.5   | 3.2                            | 4.1                 |  |  |  |  |  |
| Q3         | 5.9  | 6.0   | 5.9   | 6.0  | 4.2   | 2.2  | 1.9   | 3.6                            | 4.0                 |  |  |  |  |  |
| Q4         | 5.0  | 5.0   | 5.0   | 5.0  | 4.0   | 2.0  | 1.9   | 2.9                            | 3.1                 |  |  |  |  |  |
| 2003 Q1    | 5.3  | 5.5   | 5.3   | 5.5  | 3.6   | 2.2  | 2.1   | 2.9                            | 3.3                 |  |  |  |  |  |
| Q2         | 5.0  | 4.9   | 5.0   | 4.9  | 2.4   | 2.2  | 2.2   | 2.7                            | 2.7                 |  |  |  |  |  |
| Q3         | 5.6  | 5.6   | 5.6   | 5.6  | 1.8   | 2.5  | 2.5   | 3.0                            | 3.0                 |  |  |  |  |  |
| Q4         | 6.0  | 5.9   | 6.0   | 5.9  | 2.8   | 3.2  | 3.1   | 2.8                            | 2.6                 |  |  |  |  |  |
| 2004 Q1    | 5.5 <sup>†</sup>                                 | 5.1 <sup>†</sup>                                | 5.5 <sup>†</sup>  | 5.1 <sup>†</sup>                                 | 2.3 <sup>†</sup>  | 3.4 <sup>†</sup>                                 | 3.2 <sup>†</sup>                                  | 2.1 <sup>†</sup>               | 1.7 <sup>†</sup>    |  |  |  |  |  |
| Q2         | 5.7  | 5.5   | 5.7   | 5.5  | 4.2   | 3.7  | 3.6   | 1.9                            | 1.9                 |  |  |  |  |  |
| Q3         | 4.9  | 4.9   | 4.9   | 4.9  | 2.3   | 3.0  | 2.8   | 1.7                            | 2.0                 |  |  |  |  |  |
| Q4         | 5.3  | 5.6   | 5.3   | 5.6  | 4.0   | 2.6  | 2.4   | 2.6                            | 3.2                 |  |  |  |  |  |
| 2005 Q1    | 4.3  | 4.6   | 4.3   | 4.6  | 2.0   | 2.0  | 1.9   | 2.3                            | 2.7                 |  |  |  |  |  |
| Q2         | 4.4  | 4.4   | 4.4   | 4.4  | 2.5   | 1.6  | 1.6   | 2.8                            | 2.8                 |  |  |  |  |  |
| Q3         | 3.7  | 3.3   | 3.7   | 3.3  | 1.4   | 1.7  | 1.7   | 2.0                            | 1.6                 |  |  |  |  |  |

3 These estimates of change are based in some cases on less rounded figures than in the table.

"Money GDP."
Based on chained volume measures and current price estimates of expenditure components of GDP.

Source: Office for National Statistics; Enquiries 020 7533 6031





# Gross domestic product : by category of expenditure Chained volume measures 2.2

Reference year 2002, £ million

|            |                      | Domestic   | expenditure on        | goods and se                         | rvices at ma                                   |  |                        |   |                                 |  |   |   |
|------------|----------------------|--|-----------------------|--------------------------------------|--|--|------------------------|---|---------------------------------|--|---|---|
|            | Final cor            | nsumption e                                      | expenditure           | Gross                                | capital form                                   | ation  |                        |   |                                 |  | Statis-   |   |
|            | House-<br>holds      | Non-<br>profit<br>instit-<br>utions <sup>2</sup> | General<br>government | Gross fixed<br>capital<br>formation+ | Changes<br>in<br>inven-<br>tories <sup>3</sup> | Acquisi-<br>tions less<br>disposals<br>of<br>valuables | Total                  | Exports<br>of goods<br>and<br>services+ | Gross final<br>expend-<br>iture | <i>less</i><br>Imports<br>of goods<br>and<br>services+ | tical<br>discre-<br>pancy<br>(expen-<br>diture) | Gross<br>domestic<br>product at<br>market<br>prices |
| Annual     |                      |  |                       |                                      |  |  |                        |   |                                 |  |   |   |
|            | ABJR                 | HAYO   | NMRY                  | NPQT                                 | CAFU   | NPJR   | YBIM                   | IKBK                                    | ABMG                            | IKBL   | GIXS  | ABMI  |
| 2000       | 625 145              | 25 270   | 198 616               | 163 709                              | 5 267  | 3  | 1 017 985              | 266 536                                 | 1 284 619                       | 279 807  | -   | 1 005 542   |
| 2001       | 644 895<br>667 361   | 25 247   | 201 996               | 167 563                              | 5 195<br>2 909                                 | 3/3  | 1 046 424              | 274 274 274 274 945                     | 1 320 810                       | 293 213  | _   | 1 027 905   |
| 2003       | 684 841              | 26 229   | 220 449               | 172 573                              | 4 602  | -6   | 1 108 689              | 278 159                                 | 1 386 848                       | 311 990  | _   | 1 074 858   |
| 2004       | 709 702 <sup>†</sup> | 26 761 <sup>†</sup>                              | 227 424 <sup>†</sup>  | 181 506 <sup>†</sup>                 | 5 933 <sup>†</sup>                             | 11   | 1 151 316 <sup>†</sup> | 290 989 <sup>†</sup>                    | 1 442 305 <sup>†</sup>          | 332 953 <sup>†</sup>                                   | –207 <sup>†</sup>                               | 1 109 145 <sup>†</sup>                              |
| Quarterly  |                      |  |                       |                                      |  |  |                        |   |                                 |  |   |   |
| 2000 Q1    | 155 841              | 6 151  | 49 110                | 40 052                               | 481  | 2  | 251 678                | 64 146                                  | 315 800                         | 67 027   | -   | 249 056   |
| Q2         | 155 859              | 6 272  | 49 985                | 40 010                               | 1 171  | -1   | 253 197                | 66 418                                  | 319 644                         | 69 313   | -   | 250 537   |
| Q3         | 156 783              | 6 392  | 49 956                | 41 109                               | 1 789  | -3   | 256 003                | 66 960                                  | 322 977                         | 70 725   | -   | 252 424   |
| Q4         | 156 662              | 6 455  | 49 565                | 42 538                               | 1 826  | 5  | 257 107                | 69 012                                  | 326 198                         | 72 742   | -   | 253 525   |
| 2001 Q1    | 159 089              | 6 402  | 50 036                | 42 007                               | 1 040  | -18  | 258 590                | 70 148                                  | 328 833                         | 73 449   | -   | 255 459   |
| Q2<br>03   | 160 258              | 6 280  | 49 827                | 42 160                               | 1 3/5  | 210  | 260 275                | 69 408<br>67 325                        | 329 749                         | 73 308   | _   | 250 450   |
| Q4         | 163 407              | 6 242  | 51 432                | 41 147                               | 2 119  | 143  | 264 445                | 67 393                                  | 331 818                         | 73 209   | -   | 258 695   |
| 2002 Q1    | 165 301              | 6 321  | 52 654                | 41 651                               | 1 177  | 74   | 267 140                | 67 640                                  | 334 760                         | 74 838   | _   | 259 971   |
| Q2         | 166 424              | 6 425  | 52 249                | 42 936                               | 394  | 56   | 268 495                | 70 380                                  | 338 897                         | 77 479   | -   | 261 381   |
| Q3         | 167 273              | 6 587  | 52 864                | 43 562                               | 480  | 70   | 270 855                | 69 894                                  | 340 768                         | 77 678   | -   | 263 060   |
| Q4         | 168 363              | 6 665  | 53 200                | 44 409                               | 858  | 14   | 273 517                | 67 031                                  | 340 527                         | 76 501   | -   | 264 044   |
| 2003 Q1    | 169 079              | 6 557 <sup>†</sup>                               | 53 929                | 43 232                               | 103  | -  | 272 901                | 71 403                                  | 344 304                         | 78 620   | -   | 265 684   |
| Q2         | 171 108              | 6 553  | 54 618                | 42 843                               | -387   | 102  | 274 837                | 68 719                                  | 343 556                         | 76 406   | -   | 267 150   |
| Q3<br>Q4   | 172 708              | 6 555  | 56 438                | 42 459 44 039                        | 2 539  |  | 282 239                | 69 542                                  | 351 781                         | 79 535   | -   | 272 246   |
| 2004 Q1    | 174 705 <sup>†</sup> | 6 665  | 56 639 <sup>†</sup>   | 44 435 <sup>†</sup>                  | 1 338 <sup>†</sup>                             | . 117  | 283 898 <sup>†</sup>   | 71 440 <sup>†</sup>                     | 355 339 <sup>†</sup>            | 80 581 <sup>†</sup>                                    | -77   | 274 681 <sup>†</sup>                                |
| Q2         | 177 015              | 6 663  | 56 738                | 45 657                               | 1 230  | -81  | 287 222                | 72 539                                  | 359 760                         | 82 718   | -73   | 276 969   |
| Q3         | 178 582              | 6 697  | 56 916                | 45 510                               | 1 088  | -86  | 288 707                | 73 158                                  | 361 865                         | 83 849   | -49   | 277 967   |
| Q4         | 179 400              | 6736   | 57 131                | 45 904                               | 22//   | 39   | 291 489                | 73 852                                  | 365 341                         | 85 805   | -8  | 279 528   |
| 2005 Q1    | 179 560              | 6 804  | 57 218                | 46 192                               | 1 262  | -142   | 290 894                | 73 559                                  | 364 453                         | 84 409   | 136   | 280 181   |
| Q2<br>Q3   | 179 923<br>180 907   | 6 840<br>6 903                                   | 57 262<br>57 245      | 46 284<br>47 285                     | 342<br>1 614                                   | 95<br>–182   | 290 746<br>293 772     | 76 817<br>76 516                        | 367 563<br>370 288              | 86 247<br>87 843                                       | 181<br>212                                      | 281 497<br>282 657                                  |
|            |                      |  |                       |                                      |  |  |                        |   |                                 |  |   |   |
| Percentage | change, lates        | st quarter or                                    | n corresponding       | quarter of pre                       | evious year                                    |  |                        |   |                                 |  |   |   |
| 2000 Q1    | 5.8                  | 6.1  | 3.5                   | 1.7                                  |  |  | 3.8                    | 10.2                                    | 5.1                             | 8.0  |   | 4.3   |
| Q2         | 4.8                  | 8.9  | 3.9                   | 3.6                                  |  |  | 4.6                    | 10.7                                    | 5.8                             | 10.8   |   | 4.4   |
| Q3<br>Q4   | 2.6                  | 9.4  | 3.3                   | 5.7                                  |  |  | 3.3                    | 8.8                                     | 4.5                             | 8.8  |   | 4.2<br>3.2  |
| 2001 Q1    | 2.1                  | 4.1  | 1.9                   | 4.9                                  |  |  | 2.7                    | 9.4                                     | 4.1                             | 9.6  |   | 2.6   |
| Q2         | 2.8                  | 0.8  | -0.3                  | 5.4                                  |  |  | 2.8                    | 4.5                                     | 3.2                             | 5.9  |   | 2.4   |
| Q3<br>Q4   | 3.4<br>4.3           | -1.8<br>-3.3                                     | 1.5<br>3.8            | 2.8<br>-3.3                          |  |  | 2.8<br>2.9             | 0.5<br>-2.3                             | 2.3<br>1.7                      | 3.5<br>0.6   |   | 1.9<br>2.0  |
| 0000 01    | 2.0                  | 1.0  | 5.0                   | 0.0                                  |  |  |                        |   | 1.0                             | 10   |   | 1.0   |
| 2002 Q1    | 3.9                  | -1.3   | 5.2<br>4 9            | -0.8                                 |  |  | 3.3                    | -3.6<br>1 4                             | 1.8<br>2.8                      | 1.9  |   | 1.8   |
| Q3         | 3.2                  | 4.9  | 4.3                   | 3.1                                  |  |  | 2.9                    | 3.8                                     | 3.1                             | 6.1  |   | 2.2   |
| Q4         | 3.0                  | 6.8  | 3.4                   | 7.9                                  |  |  | 3.4                    | -0.5                                    | 2.6                             | 4.5  |   | 2.1   |
| 2003 Q1    | 2.3                  | 3.7  | 2.4                   | 3.8                                  |  |  | 2.2                    | 5.6                                     | 2.9                             | 5.1  |   | 2.2   |
| Q2         | 2.8                  | 2.0  | 4.5                   | -0.2                                 |  |  | 2.4                    | -2.4                                    | 1.4                             | -1.4   |   | 2.2   |
| Q3<br>Q4   | 2.8<br>2.6           | -0.3<br>-1.7                                     | 4.9<br>6.1            | -2.5<br>-0.8                         |  |  | 2.9<br>3.2             | -2.0<br>3.7                             | 1.9<br>3.3                      | -0.3<br>4.0  |   | 2.6<br>3.1  |
| 2004 01    | 2 2t                 | 16   | 5 ot                  | 2 21                                 | L .  |  | 1 of                   | 0.1                                     | a ot                            | · 25t  |   | 2 11  |
| Q2         | 3.5                  | 1.7†   | 3.9                   | 6.6                                  |  |  | 4.5                    | 5.6                                     | 4.7                             | 8.3  |   | 3.7   |
| Q3         | 3.9                  | 2.0  | 2.6                   | 7.2                                  |  |  | 3.6                    | 6.8                                     | 4.2                             | 8.3  |   | 3.0   |
| Q4         | 3.9                  | 2.8  | 1.2                   | 4.2                                  |  |  | 3.3                    | 6.2                                     | 3.9                             | 7.9  |   | 2.7   |
| 2005 Q1    | 2.8                  | 2.1  | 1.0                   | 4.0                                  |  |  | 2.5                    | 3.0                                     | 2.6                             | 4.8  |   | 2.0   |
| Q2<br>Q3   | 1.6                  | 2.7  | 0.9                   | 1.4<br>.3 9                          |  |  | 1.2                    | 5.9<br>4 6                              | 2.2                             | 4.3<br>4 8   |   | 1.6<br>1 7  |
|            | 1.0                  | 0.7  | 0.0                   | 0.0                                  |  |  | 1.0                    |   | 2.0                             |  |   |   |

1 Estimates given to nearest million but cannot be regarded as accurate to the 3 Quarterly alignment adjustment included in this series.

degree. 2 Non-profit making institutions serving households(NPISH).

Source: Office for National Statistics; Enquiries 020 7533 6031



# **2.3** Gross domestic product and shares of income and expenditure

|           |   |   | Percentage s              | share of gro               | oss final expe                | enditure                    | Percentage share of GDP by category of income |                    |                           |              |                                       |
|-----------|---|---|---------------------------|----------------------------|-------------------------------|-----------------------------|---|--------------------|---------------------------|--------------|---------------------------------------|
|           | Gross<br>domestic                             | _   | Final consur<br>expenditi | nption<br>ure              |                               | Evporto                     | Gross operating s                             | surplus            |                           |              |                                       |
|           | product at<br>market<br>prices<br>(£ million) | Gross final<br>expenditure<br>(£ million) | Household<br>and NPISH    | General<br>govern<br>-ment | Gross<br>capital<br>formation | of goods<br>and<br>services | Corporat-<br>ions <sup>1</sup>                | Other <sup>2</sup> | Compensation of employees | Mixed income | Taxes on<br>production<br>and imports |
| Annual    |   |   |                           |                            |                               |                             |   |                    |                           |              |                                       |
|           | YBHA  | ABMF                                      | IHXI                      | IHXJ                       | IHXK                          | IHXL                        | IHXM  | IHXO               | IHXP                      | IHXQ         | IHXR                                  |
| 2002      | 1 048 456                                     | 1 354 952                                 | 51.2                      | 15.6                       | 13.0                          | 20.3                        | 21.7  | 3.0                | 56.1                      | 6.3          | 12.9                                  |
| 2003      | 1 105 919                                     | 1 419 132                                 | 51.1<br>50.0 <sup>†</sup> | 16.3                       | 12.7                          | 19.9<br>10 c <sup>†</sup>   | 22.1'   | 2.9                | 55.8                      | 6.3          | 12.8                                  |
| 2004      | 1 104 941                                     | 1 490 004                                 | 50.6                      | 10.5                       | 13.1                          | 19.0                        | 22.5  | 2.0                | 55.7                      | 0.3          | 12.0                                  |
| Quarterly | ,   |   |                           |                            |                               |                             |   |                    |                           |              |                                       |
| 2002 Q1   | 257 004                                       | 332 338                                   | 51.4                      | 15.4                       | 12.8                          | 20.4                        | 21.8  | 2.8                | 56.0                      | 6.3          | 13.0                                  |
| Q2        | 261 090                                       | 339 079                                   | 50.9                      | 15.4                       | 12.8                          | 20.9                        | 21.2  | 3.7                | 56.1                      | 6.3          | 12.8                                  |
| Q3        | 264 065                                       | 341 177                                   | 51.0                      | 15.6                       | 13.0                          | 20.4                        | 21.9  | 2.8                | 56.1                      | 6.3          | 12.8                                  |
| Q4        | 266 297                                       | 342 358                                   | 51.4                      | 15.8                       | 13.3                          | 19.4                        | 21.8  | 2.7                | 56.3                      | 6.3          | 12.8                                  |
| 2003 Q1   | 270 583                                       | 349 262                                   | 51.0                      | 16.0                       | 12.3                          | 20.7                        | 22.4 <sup>†</sup>                             | 2.5                | 56.0                      | 6.3          | 12.7                                  |
| Q2        | 274 053                                       | 350 763                                   | 51.4                      | 16.3                       | 12.3                          | 19.9                        | 22.1  | 3.0                | 55.8                      | 6.3          | 12.7                                  |
| Q3        | 278 966                                       | 356 950                                   | 51.1                      | 16.4                       | 12.9                          | 19.6                        | 22.3  | 2.7                | 55.9                      | 6.3          | 12.8                                  |
| Q4        | 282 317                                       | 362 157                                   | 50.8                      | 16.6                       | 13.2                          | 19.4                        | 21.8  | 3.4                | 55.7                      | 6.3          | 12.9                                  |
| 2004 Q1   | 285 467                                       | 365 105                                   | 51 1 <sup>†</sup>         | 16.5                       | 12.9 <sup>†</sup>             | 19.5 <sup>†</sup>           | 21.9  | 29                 | 55.9                      | 6.3          | 13 0 <sup>†</sup>                     |
| Q2        | 289 569                                       | 371 963                                   | 50.9                      | 16.4                       | 13.2                          | 19.5                        | 22.7  | 2.6                | 55.6                      | 6.3          | 12.8                                  |
| Q3        | 292 511                                       | 376 763                                   | 50.8                      | 16.5                       | 13.0                          | 19.6                        | 22.6  | 2.9                | 55.6                      | 6.3          | 12.7                                  |
| Q4        | 297 394                                       | 384 253                                   | 50.4                      | 16.6                       | 13.3                          | 19.8                        | 22.9  | 2.6                | 55.7                      | 6.2          | 12.6                                  |
| 2005 Q1   | 297 755                                       | 383 688                                   | 50.7                      | 16.8                       | 12.8                          | 19.7                        | 22.0  | 2.8                | 56.5                      | 6.3          | 12.5                                  |
| Q2        | 302 218                                       | 390 492                                   | 50.3                      | 16.7                       | 12.8                          | 20.2                        | 22.2  | 2.8                | 56.3                      | 6.2          | <sup>†</sup> 12.6                     |
| Q3        | 303 231                                       | 394 477                                   | 50.3                      | 16.7                       | 13.4                          | 19.6                        | 21.2  | 3.1                | 56.7                      | 6.3          | 12.8                                  |

Non-financial and financial corporations.
Gross operating surplus of General government, and Households and NPISH plus the adjustment for financial services.

# **2.4** Income, product and spending per head

|           |  | At current                                    | prices   |  | Chained volume measures (reference year 2002) |  |   |  |  |  |
|-----------|--|---|--|--|---|--|---|--|--|--|
|           | Gross national<br>income at market<br>prices | Gross domestic<br>product at market<br>prices | Household<br>and NPISH<br>final consumption<br>expenditure | Households'<br>gross<br>disposable<br>income | Gross domestic<br>product at market<br>prices | Household<br>and NPISH<br>final consumption<br>expenditure | Real<br>households'<br>disposable<br>income |  |  |  |
| Annual    |  |   |  |  |   |  |   |  |  |  |
|           | IHXS   | IHXT  | IHXU   | IHXV   | IHXW  | IHXX   | IHXZ  |  |  |  |
| 2002      | 18 041                                       | 17 674  | 11 687   | 11 971                                       | 17 675  | 11 688.  | 11 971                                      |  |  |  |
| 2003      | 18 959 <sup>†</sup>                          | 18 570  | 12 174   | 12 499 <sup>†</sup>                          | 18 049  | 11 941 <sup>†</sup>  | 12 260                                      |  |  |  |
| 2004      | 19 985                                       | 19 554 <sup>†</sup>                           | 12 771 <sup>†</sup>  | 12 934                                       | 18 617 <sup>†</sup>                           | 12 361   | 12 521                                      |  |  |  |
| Quarterly |  |   |  |  |   |  |   |  |  |  |
| 2002 Q1   | 4 409  | 4 338   | 2 886  | 2 945  | 4 389   | 2 897  | 2 956                                       |  |  |  |
| Q2        | 4 468  | 4 404   | 2 911  | 2 994  | 4 409   | 2 915  | 2 999                                       |  |  |  |
| 03        | 4 564  | 4 450   | 2 929  | 3 006  | 4 433   | 2 930  | 3 006                                       |  |  |  |
| Q4        | 4 600  | 4 482   | 2 961  | 3 026  | 4 444   | 2 946  | 3 010                                       |  |  |  |
| 2003 01   | 4 682  | 4 549   | 2 992  | 3.065 <sup>†</sup>                           | 4 466   | 2 953  | 3 026                                       |  |  |  |
| 02        | 4 677  | 4 603   | 3 030  | 3 134  | 4 487   | 2 984  | 3 086                                       |  |  |  |
| 03        | 4 762  | 4 682   | 3 064  | 3 1 2 6                                      | 4 528   | 2 996  | 3 057                                       |  |  |  |
| Q4        | 4 838  | 4 736   | 3 088  | 3 174  | 4 568   | 3 008  | 3 091                                       |  |  |  |
| 2004 01   | 4 890  | 1 780   | 3 131  | 3 185  | 4 608   | 3 0/13   | 3.096                                       |  |  |  |
| 2004 Q1   | 4 050  | 4 950   | 2 176  | 2 210  | 4 649   | 3 083  | 2 1 2 4                                     |  |  |  |
| 02        | 4 907  | 4 039   | 3 170  | 3 2 5 9                                      | 4 040   | 3 110  | 3 124                                       |  |  |  |
| Q3<br>Q4  | 5 155  | 4 995   | 3 250  | 3 272  | 4 695   | 3 126  | 3 148                                       |  |  |  |
| 0005 01   | E 110  | 4.000   | 0.000  | 0.000  | 4 701   | 0.107  | 0.107                                       |  |  |  |
| 2005 Q1   | 5 116  | 4 996   | 3 266  | 3 308  | 4 701   | 3 127  | 3 167                                       |  |  |  |
| Q2        | 5 252  | 5 0/1   | 3 293  | 3 374  | 4 724   | 3 134  | 3 211                                       |  |  |  |
| Q3        | 5 200  | 5 088   | 3 329  | 3 400  | 4 743   | 3 151  | 3 218                                       |  |  |  |

Source: Office for National Statistics; Enquiries 020 7533 6031

Source: Office for National Statistics; Enquiries 020 7533 6031

£

# Shares of income and expenditure









# 2.5 Households<sup>1</sup> disposable income and consumption

|           |                        |                                    | £ million,                                       | , current prices                            |                                   | t mil<br>chained volum<br>reference |   |   |                                      |  |
|-----------|------------------------|------------------------------------|--|---|-----------------------------------|-------------------------------------|---|---|--------------------------------------|--|
|           | House<br>inc<br>befo   | eholds'<br>ome<br>re tax           | Groop  | Adjustment<br>for the                       |                                   | Households'                         |   | Pool  | Household                            | Real                                     |
|           | Total                  | of which:<br>Wages and<br>salaries | households'<br>disposable<br>income <sup>2</sup> | equity of<br>households in<br>pension funds | Households'<br>Total<br>resources | final<br>consumption<br>expenditure | Households'<br>saving ratio <sup>3</sup><br>(percentage)+ | households'<br>disposable<br>income+ <sup>4</sup> | final<br>consumption<br>expenditure+ | disposable<br>income (index<br>2002=100) |
| Annual    | RPHP                   | ROYJ                               | RPHQ   | RPQJ  | RPQK                              | RPQM                                | NRJS  | NRJR  | NPSP                                 | OSXS                                     |
| 2002      | 1 015 614              | 509 546                            | 710 144  | 17 906                                      | 728 050                           | 693 359                             | 4.8   | 710 144   | 693 359                              | 100.0                                    |
| 2003      | 1 067 223 <sup>†</sup> | 526 949                            | 744 428 <sup>†</sup>                             | 21 586                                      | 766 014 <sup>†</sup>              | 725 012                             | 5.4 <sup>†</sup>  | 730 113 <sup>†</sup>                              | 711 070                              | 102.8                                    |
| 2004      | 1 114 521              | 551 327 <sup>†</sup>               | 770 529  | 25 046 <sup>†</sup>                         | 795 575                           | 760 762 <sup>†</sup>                | 4.4   | 745 918   | 736 463 <sup>†</sup>                 | 105.1                                    |
| Quarterly |                        |                                    |  |   |                                   |                                     |   |   |                                      |  |
| 2002 Q1   | 249 009                | 125 136                            | 174 431  | 4 005                                       | 178 436                           | 170 968                             | 4.2   | 175 100   | 171 624                              | 98.6                                     |
| Q2        | 253 005                | 126 891                            | 177 530  | 4 289                                       | 181 819                           | 172 601                             | 5.1   | 177 785   | 172 849                              | 100.1                                    |
| Q3        | 255 632                | 128 052                            | 178 374  | 4 740                                       | 183 114                           | 173 836                             | 5.1   | 178 397   | 173 859                              | 100.5                                    |
| Q4        | 257 968                | 129 467                            | 179 809  | 4 872                                       | 184 681                           | 175 954                             | 4.7   | 178 862   | 175 027                              | 100.7                                    |
| 2003 Q1   | 260 418 <sup>†</sup>   | 130 003                            | 182 347 <sup>†</sup>                             | 5 196                                       | 187 543 <sup>†</sup>              | 177 952                             | 5.1 <sup>†</sup>  | 179 973 <sup>†</sup>                              | 175 636 <sup>†</sup>                 | 101.4 <sup>†</sup>                       |
| Q2        | 266 472                | 131 002                            | 186 601  | 4 046                                       | 190 647                           | 180 420                             | 5.4   | 183 746   | 177 661                              | 103.5                                    |
| Q3        | 268 773                | 132 597                            | 186 289  | 6 211                                       | 192 500                           | 182 562                             | 5.2   | 182 153   | 178 510                              | 102.6                                    |
| Q4        | 271 560                | 133 347                            | 189 191  | 6 133                                       | 195 324                           | 184 078                             | 5.8   | 184 241   | 179 263                              | 103.8                                    |
| 2004 Q1   | 273 420                | 135 508 <sup>†</sup>               | 189 844  | 6 478 <sup>†</sup>                          | 196 322                           | 186 600 <sup>†</sup>                | 5.0   | 184 520   | 181 370                              | 103.9                                    |
| Q2        | 276 732                | 136 873                            | 191 800  | 5 792                                       | 197 592                           | 189 248                             | 4.2   | 186 152   | 183 678                              | 104.9                                    |
| Q3        | 280 778                | 138 352                            | 194 051  | 5 877                                       | 199 928                           | 191 422                             | 4.3   | 187 821   | 185 279                              | 105.8                                    |
| Q4        | 283 591                | 140 594                            | 194 834  | 6 899                                       | 201 733                           | 193 492                             | 4.1   | 187 425   | 186 136                              | 105.6                                    |
| 2005 Q1   | 287 847                | 142 566                            | 197 116  | 7 087                                       | 204 203                           | 194 641                             | 4.7   | 188 734   | 186 364                              | 106.3                                    |
| Q2        | 294 105                | 143 722                            | 201 070  | 6 864                                       | 207 934                           | 196 258                             | 5.6   | 191 342   | 186 763                              | 107.8                                    |
| Q3        | 297 966                | 144 844                            | 202 594  | 7 315                                       | 209 909                           | 198 380                             | 5.5   | 191 799   | 187 810                              | 108.0                                    |

1 All households series include also Non-Profit Institutions Serving Households (NPISH). 2 Total household income *less* payments of income tax and other taxes, social

contributions and other current transfers.

3 Households saving as a percentage of Total resources; this is the sum

of Gross household disposable income and the Adjustment for the change in net equity of households in pension funds (D.8). 4 Gross household disposable income revalued by the implied Household and

NPISH final consumption expenditure deflator (2002 = 100). Sources: Office for National Statistics; Enquiries Column 1 020 7533 6005; Columns 2-5,7,8,10 020 7533 6027; Columns 6,9 020 7533 5999

#### Household final consumption expenditure<sup>1,2</sup> 2.6 Chained volume measures

Reference year 2002, £ million

|                     | UK National*         |                     |                          |                     |                         |                           |                      |                                       |                     |                      |                     |                              |                    |                              |                     |
|---------------------|----------------------|---------------------|--------------------------|---------------------|-------------------------|---------------------------|----------------------|---------------------------------------|---------------------|----------------------|---------------------|------------------------------|--------------------|------------------------------|---------------------|
|                     |                      |                     | UK Domestic <sup>5</sup> |                     |                         |                           |                      |                                       |                     |                      |                     |                              |                    |                              |                     |
|                     | Total                | Net<br>tourism      | Total                    | Food &<br>drink     | Alcohol<br>&<br>tobacco | Clothing<br>&<br>footwear | Housing              | House-<br>hold<br>goods &<br>services | Health              | Trans-<br>port       | Communi-<br>cation  | Recreat-<br>ion &<br>culture | Educat-<br>ion     | Restaur-<br>ants &<br>hotels | Miscell-<br>aneous  |
| COICOP <sup>3</sup> | -                    | -                   | 0                        | 01                  | 02                      | 03                        | 04                   | 05                                    | 06                  | 07                   | 08                  | 09                           | 10                 | 11                           | 12                  |
| <b>Annual</b>       | ABJR                 | ABTH                | ZAKW                     | ZWUN                | ZAKY                    | ZALA                      | ZAVO                 | ZAVW                                  | ZAWC                | ZAWM                 | ZAWW                | ZAXA                         | ZWUT               | ZAXS                         | ZAYG                |
| 2002                | 667 361              | 10 563              | 656 798                  | 61 493              | 25 966                  | 39 092                    | 121 238              | 40 448                                | 10 778              | 99 797               | 14 675              | 81 363                       | 9 381              | 76 298                       | 76 269              |
| 2003                | 684 841              | 10 638              | 674 203                  | 61 883              | 26 364                  | 41 993                    | 122 325              | 42 745                                | 11 292              | 102 055              | 15 464              | 87 734                       | 8 870              | 76 422                       | 77 056              |
| 2004                | 709 702 <sup>†</sup> | 11 142 <sup>1</sup> | 698 560 <sup>†</sup>     | 63 237 <sup>†</sup> | 26 618 <sup>†</sup>     | 45 865 <sup>†</sup>       | 124 968 <sup>†</sup> | 45 255 <sup>†</sup>                   | 11 619 <sup>†</sup> | 103 998 <sup>†</sup> | 16 365 <sup>†</sup> | 95 647 <sup>†</sup>          | 8 831              | 78 258 <sup>†</sup>          | 77 899†             |
| Quarters            |                      |                     |                          |                     |                         |                           |                      |                                       |                     |                      |                     |                              |                    |                              |                     |
| 2002 Q1             | 165 301              | 2 759               | 162 544                  | 14 965              | 6 432                   | 9 705                     | 30 106               | 10 010                                | 2 637               | 24 670               | 3 607               | 20 274                       | 2 419              | 18 913                       | 18 791              |
| Q2                  | 166 424              | 2 544               | 163 881                  | 15 168              | 6 494                   | 9 724                     | 30 278               | 9 994                                 | 2 684               | 24 996               | 3 668               | 20 202                       | 2 374              | 19 109                       | 19 194              |
| Q3                  | 167 273              | 2 628               | 164 644                  | 15 480              | 6 505                   | 9 838                     | 30 335               | 10 160                                | 2 718               | 25 176               | 3 688               | 20 226                       | 2 349              | 19 161                       | 19 015              |
| Q4                  | 168 363              | 2 632               | 165 729                  | 15 880              | 6 535                   | 9 825                     | 30 519               | 10 284                                | 2 739               | 24 955               | 3 712               | 20 661                       | 2 239              | 19 115                       | 19 269              |
| 2003 Q1             | 169 079              | 2 821               | 166 258                  | 15 339              | 6 538                   | 10 066                    | 30 405               | 10 514                                | 2 767               | 25 372               | 3 746               | 21 055                       | 2 222              | 18 881                       | 19 353              |
| Q2                  | 171 108              | 2 745               | 168 363                  | 15 881              | 6 556                   | 10 412                    | 30 476               | 10 803                                | 2 796               | 25 633               | 3 846               | 21 592                       | 2 211              | 18 927                       | 19 230              |
| Q3                  | 171 946              | 2 639               | 169 307                  | 15 412              | 6 627                   | 10 741                    | 30 567               | 10 604                                | 2 834               | 25 558               | 3 924               | 22 323                       | 2 216              | 19 333                       | 19 168              |
| Q4                  | 172 708              | 2 433               | 170 275                  | 15 251              | 6 643                   | 10 774                    | 30 877               | 10 824                                | 2 895               | 25 492               | 3 948               | 22 764                       | 2 221              | 19 281                       | 19 305              |
| 2004 Q1             | 174 705 <sup>†</sup> | 2 725 <sup>†</sup>  | 171 980 <sup>†</sup>     | 15 915 <sup>†</sup> | 6 666 <sup>†</sup>      | 11 026 <sup>†</sup>       | 31 044 <sup>†</sup>  | 10 861 <sup>†</sup>                   | 2 854 <sup>†</sup>  | 25 642 <sup>†</sup>  | 3 998 <sup>†</sup>  | 22 987 <sup>†</sup>          | 2 219 <sup>†</sup> | 19 431 <sup>†</sup>          | 19 337 <sup>†</sup> |
| Q2                  | 177 015              | 2 756               | 174 259                  | 15 596              | 6 674                   | 11 421                    | 31 264               | 11 236                                | 2 915               | 25 773               | 3 979               | 24 152                       | 2 210              | 19 573                       | 19 466              |
| Q3                  | 178 582              | 2 956               | 175 626                  | 15 762              | 6 627                   | 11 630                    | 31 259               | 11 645                                | 2 909               | 26 168               | 4 163               | 24 225                       | 2 205              | 19 608                       | 19 425              |
| Q4                  | 179 400              | 2 705               | 176 695                  | 15 964              | 6 651                   | 11 788                    | 31 401               | 11 513                                | 2 941               | 26 415               | 4 225               | 24 283                       | 2 197              | 19 646                       | 19 671              |
| 2005 Q1             | 179 560              | 2 851               | 176 709                  | 16 001              | 6 634                   | 11 801                    | 31 300               | 11 603                                | 2 940               | 26 252               | 4 327               | 24 519                       | 2 193              | 19 989                       | 19 150              |
| Q2                  | 179 923              | 2 389               | 177 534                  | 16 061              | 6 593                   | 11 878                    | 31 482               | 11 387                                | 2 942               | 26 445               | 4 367               | 24 895                       | 2 177              | 20 104                       | 19 203              |
| Q3                  | 180 907              | 2 379               | 178 528                  | 15 984              | 6 584                   | 11 922                    | 31 476               | 11 292                                | 2 975               | 26 514               | 4 471               | 25 697                       | 2 178              | 20 019                       | 19 416              |

1 Estimates are given to the nearest  $\ensuremath{\mathfrak{L}}$  million but cannot be regarded as accurate to this degree.

2 More detailed estimates of Household Final Consumption Expenditure, expressed in both current prices and chained volume measures

and both unadjusted and seasonally adjusted

appear in the ONS publication *Consumer Trends*. 3 ESA 95 Classification of Individual Consumption by Purpose

Final consumption expenditure by UK households in the UK & abroad
Source: Office for National Statistics; Enquiries 020 7533 5999



Reference year 2002, £ million

# **2.7** Gross fixed capital formation Chained volume measures

1 Not including dwellings and costs associated with the transfer of ownership of non-produced assets. 2 Remaining investment by public non-financial corporations is included within business investment.

3 Including costs associated with transfer of ownership of non-produced assets.

Source: Office for National Statistics; Enquiries 020 7533 6010



# Gross value added, chained volume indices at basic prices, by category of output<sup>1,3</sup> 2.8 2002 - 100

|                                      |  |  | Produc   | tion   |  |   |  | Serv   |  |  |  |   |  |
|--------------------------------------|--|--|--|--|--|---|--|--|--|--|--|---|--|
|                                      | Agric-<br>ulture,<br>forestry,<br>and<br>fishing | Mining and<br>quarrying<br>including<br>oil<br>and gas<br>extraction | Manu-<br>facturing   | Elec-<br>tricity<br>gas and<br>water<br>supply   | Total  | Const-<br>ruction                               | Distri-<br>bution<br>hotels<br>and<br>catering;<br>repairs   | Transport<br>storage<br>and comm-<br>unication               | Business<br>services<br>and<br>finance                       | Govern-<br>ment and<br>other<br>services                     | Total  | Gross<br>value<br>added<br>at basic<br>prices   | Gross<br>value<br>added<br>excluding<br>oil                  |
| 2002 Weights <sup>1</sup>            | 10   | 24   | 159  | 18   | 201  | 59  | 157  | 80   | 264  | 229  | 730  | 1000  | 979  |
| 2000<br>2001<br>2002<br>2003<br>2004 | GDQA<br>98.0<br>89.1<br>100.0<br>98.3<br>99.3    | CKYX<br>106.1<br>100.3<br>100.0<br>94.9<br>87.2                      | CKYY<br>104.6<br>103.2<br>100.0<br>100.1<br>101.9 <sup>†</sup> | CKYZ<br>98.2<br>100.5<br>100.0<br>101.2<br>103.3 | CKYW<br>104.2<br>102.6<br>100.0<br>99.5<br>100.3 | GDQB<br>94.6<br>96.3<br>100.0<br>105.2<br>108.7 | GDQE<br>93.5<br>95.6<br>100.0<br>103.5<br>108.7 <sup>†</sup> | GDQH<br>94.1<br>97.8<br>100.0<br>102.6<br>105.3 <sup>†</sup> | GDQN<br>93.9<br>98.4<br>100.0<br>102.8<br>107.0 <sup>†</sup> | GDQU<br>95.5<br>97.5<br>100.0<br>102.1<br>104.5 <sup>†</sup> | GDQS<br>94.3<br>97.4<br>100.0<br>102.7<br>106.4 <sup>†</sup> | CGCE<br>96.4<br>98.3<br>100.0<br>102.5<br>105.6 | JUNT<br>96.2<br>98.3<br>100.0<br>102.7<br>106.0 <sup>†</sup> |
| Quarterly                            |  |  |  |  |  |   |  |  |  |  |  |   |  |
| 2000 Q1                              | 98.6   | 110.2  | 103.8  | 96.9   | 103.8  | 96.9  | 92.5   | 91.2   | 92.0   | 94.6   | 92.9   | 95.4  | 95.0   |
| Q2                                   | 98.0   | 108.7  | 104.4  | 99.2   | 104.4  | 94.6  | 93.1   | 93.3   | 93.1   | 95.3   | 93.8   | 96.1  | 95.8   |
| Q3                                   | 99.3   | 105.0  | 104.6  | 98.1   | 104.1  | 93.0  | 94.3   | 95.4   | 94.8   | 96.0   | 95.1   | 96.9  | 96.7   |
| Q4                                   | 95.9   | 100.8  | 105.5  | 98.5   | 104.5  | 94.0  | 94.0   | 96.4   | 95.7   | 96.0   | 95.5   | 97.3  | 97.1   |
| 2001 Q1                              | 89.8   | 99.3   | 105.5  | 102.1  | 104.5  | 95.5  | 94.7   | 97.7   | 96.6   | 96.5   | 96.3   | 97.9  | 97.8   |
| Q2                                   | 88.2   | 101.9  | 103.2  | 101.1  | 102.9  | 95.8  | 95.1   | 98.0   | 98.4   | 97.1   | 97.2   | 98.2  | 98.1   |
| Q3                                   | 88.0   | 100.8  | 103.0  | 99.9   | 102.4  | 96.4  | 95.7   | 97.4   | 98.7   | 97.7   | 97.6   | 98.4  | 98.4   |
| Q4                                   | 90.2   | 99.2   | 100.9  | 98.8   | 100.4  | 97.6  | 97.0   | 98.0   | 99.8   | 98.6   | 98.6   | 98.8  | 98.8   |
| 2002 Q1                              | 98.4   | 100.1  | 100.2  | 98.2   | 100.0  | 99.2  | 98.6   | 99.6   | 99.1   | 99.2   | 99.1   | 99.3  | 99.3   |
| Q2                                   | 100.6  | 104.3  | 99.7   | 99.4   | 100.3  | 98.8  | 99.3   | 99.0   | 99.7   | 99.8   | 99.6   | 99.7  | 99.6   |
| Q3                                   | 101.0  | 95.6   | 100.7  | 101.2  | 100.1  | 100.4   | 100.4  | 100.1  | 100.6  | 100.2  | 100.4  | 100.3   | 100.4  |
| Q4                                   | 100.1  | 100.0  | 99.3   | 101.3  | 99.6   | 101.7   | 101.7  | 101.2  | 100.6  | 100.7  | 101.0  | 100.7   | 100.7  |
| 2003 Q1                              | 97.9   | 99.6   | 99.4   | 99.3   | 99.4   | 102.0   | 101.7  | 101.5  | 101.8  | 101.0  | 101.5  | 101.4   | 101.4  |
| Q2                                   | 97.8   | 95.2   | 99.5   | 100.2  | 99.1   | 104.0   | 103.0  | 102.3  | 101.8  | 101.6  | 102.0  | 101.8   | 102.0  |
| Q3                                   | 98.7   | 93.5   | 100.2  | 101.6  | 99.5   | 107.1   | 104.1  | 103.1  | 102.9  | 102.5  | 103.1  | 102.9   | 103.1  |
| Q4                                   | 98.8   | 91.1   | 101.1  | 103.5  | 100.1  | 107.7   | 105.3  | 103.4  | 104.8  | 103.4  | 104.3  | 103.9   | 104.2  |
| 2004 Q1                              | 99.6 <sup>†</sup>                                | 89.5 <sup>†</sup>  | 101.5 <sup>†</sup>   | 104.0 <sup>†</sup>                               | 100.3  | 108.0   | 107.2 <sup>†</sup>   | 103.5 <sup>†</sup>   | 105.8 <sup>†</sup>   | 103.8 <sup>†</sup>   | 105.2 <sup>†</sup>   | 104.7 <sup>1</sup>                              | 105.0 <sup>†</sup>   |
| Q2                                   | 98.7   | 89.9   | 102.3  | 102.7  | 100.8 <sup>†</sup>                               | 108.2   | 108.7  | 105.1  | 106.3  | 104.6  | 106.1  | 105.5   | 105.8  |
| Q3                                   | 99.6   | 85.9   | 101.5  | 103.5  | 99.8   | 109.0   | 109.4  | 105.8  | 107.4  | 104.6  | 106.8  | 105.8   | 106.3  |
| Q4                                   | 99.2   | 83.3   | 102.4  | 103.0  | 100.2  | 109.7   | 109.4  | 106.9  | 108.3  | 105.2  | 107.4  | 106.4   | 106.9  |
| 2005 Q1                              | 98.1   | 82.7   | 101.5  | 101.4  | 99.2   | 109.8 <sup>†</sup>                              | 109.0  | 108.0  | 109.2  | 106.1  | 108.1  | 106.6   | 107.2  |
| Q2                                   | 99.6   | 82.8   | 101.3  | 102.4  | 99.1   | 110.1   | 109.4  | 108.4  | 110.0  | 107.0  | 108.7  | 107.2   | 107.7  |
| Q3                                   | 99.0   | 76.4   | 101.6  | 101.4  | 98.6   | 110.6   | 109.6  | 109.1  | 110.9  | 107.9  | 109.5  | 107.6   | 108.3  |
| Percentage char                      | nge, latest qu                                   | larter on corre  | esponding d  | quarter of la                                    | ast year   |   |  |  |  |  |  |   |  |
| 2000 Q1                              | -0.6   | 1.6  | 2.8  | 1.9  | 2.6  | 4.9   | 2.8  | 8.8  | 3.3  | 4.5  | 4.3  | 4.3   | 4.2  |
| Q2                                   | -0.1   | -0.9   | 3.0  | 4.1  | 2.8  | 2.0   | 2.9  | 9.6  | 4.4  | 4.2  | 4.6  | 4.3   | 4.5  |
| Q3                                   | 1.4  | -5.3   | 1.9  | 1.6  | 1.1  | -1.2  | 3.4  | 11.1   | 6.0  | 3.7  | 5.2  | 4.3   | 4.5  |
| Q4                                   | -3.2   | -7.9   | 2.2  | 1.2  | 1.2  | -0.5  | 2.3  | 9.0  | 4.8  | 2.6  | 4.0  | 3.4   | 3.6  |
| 2001 Q1                              | -8.9   | -9.9   | 1.6  | 5.4  | 0.7  | -1.4  | 2.4  | 7.1  | 5.0  | 2.0  | 3.7  | 2.6   | 2.9  |
| Q2                                   | -10.0  | -6.3   | -1.1   | 1.9  | -1.4   | 1.3   | 2.1  | 5.0  | 5.7  | 1.9  | 3.6  | 2.2   | 2.4  |
| Q3                                   | -11.4  | -4.0   | -1.5   | 1.8  | -1.6   | 3.7   | 1.5  | 2.1  | 4.1  | 1.8  | 2.6  | 1.5   | 1.8  |
| Q4                                   | -5.9   | -1.6   | -4.4   | 0.3  | -3.9   | 3.8   | 3.2  | 1.7  | 4.3  | 2.7  | 3.2  | 1.5   | 1.8  |
| 2002 Q1                              | 9.6  | 0.8  | -5.0   | -3.8   | -4.3   | 3.9   | 4.1  | 1.9  | 2.6  | 2.8  | 2.9  | 1.4   | 1.5  |
| Q2                                   | 14.1   | 2.4  | -3.4   | -1.7   | -2.5   | 3.1   | 4.4  | 1.0  | 1.3  | 2.8  | 2.5  | 1.5   | 1.5  |
| Q3                                   | 14.8   | -5.2   | -2.2   | 1.3  | -2.2   | 4.1   | 4.9  | 2.8  | 1.9  | 2.6  | 2.9  | 1.9   | 2.0  |
| Q4                                   | 11.0   | 0.8  | -1.6   | 2.5  | -0.8   | 4.2   | 4.8  | 3.3  | 0.8  | 2.1  | 2.4  | 1.9   | 1.9  |
| 2003 Q1                              | -0.5   | -0.5   | -0.8   | 1.1  | -0.6   | 2.8   | 3.1  | 1.9  | 2.7  | 1.8  | 2.4  | 2.1   | 2.1  |
| Q2                                   | -2.8   | -8.7   | -0.2   | 0.8  | -1.2   | 5.3   | 3.7  | 3.3  | 2.1  | 1.8  | 2.4  | 2.1   | 2.4  |
| Q3                                   | -2.3   | -2.2   | -0.5   | 0.4  | -0.6   | 6.7   | 3.7  | 3.0  | 2.3  | 2.3  | 2.7  | 2.6   | 2.7  |
| Q4                                   | -1.3   | -8.9   | 1.8  | 2.2  | 0.5  | 5.9   | 3.5  | 2.2  | 4.2  | 2.7  | 3.3  | 3.2   | 3.5  |
| 2004 Q1                              | 1.7 <sup>1</sup>                                 | -10.1 <sup>1</sup>   | 2.1 <sup>1</sup>   | 4.7 <sup>†</sup>                                 | 0.9  | 5.9   | 5.4 <sup>†</sup>   | 2.0 <sup>†</sup>   | 3.9 <sup>†</sup>   | 2.8 <sup>†</sup>   | 3.6 <sup>†</sup>   | 3.3 <sup>1</sup>                                | 3.6 <sup>1</sup>   |
| Q2                                   | 0.9  | -5.6   | 2.8  | 2.5  | 1.7 <sup>†</sup>                                 | 4.0   | 5.5  | 2.7  | 4.4  | 3.0  | 4.0  | 3.6   | 3.7  |
| Q3                                   | 0.9  | -8.1   | 1.3  | 1.9  | 0.3  | 1.8   | 5.1  | 2.6  | 4.4  | 2.0  | 3.6  | 2.8   | 3.1  |
| Q4                                   | 0.4  | -8.6   | 1.3  | –0.5   | 0.1  | 1.9   | 3.9  | 3.4  | 3.3  | 1.7  | 3.0  | 2.4   | 2.6  |
| 2005 Q1                              | -1.5   | -7.6   | 0.0  | -2.5   | -1.1   | 1.7 <sup>†</sup>                                | 1.7  | 4.3  | 3.2  | 2.2  | 2.8  | 1.8   | 2.1  |
| Q2                                   | 0.9  | -7.9   | -1.0   | -0.3   | -1.7   | 1.8   | 0.6  | 3.1  | 3.5  | 2.3  | 2.5  | 1.6   | 1.8  |
| Q3                                   | -0.6   | -11.1  | 0.1  | -2.0   | -1.2   | 1.5   | 0.2  | 3.1  | 3.3  | 3.2  | 2.5  | 1.7   | 1.9  |

1 Estimates cannot be regarded as accurate to the last digit shown.

3 Components of output are valued at basic prices, which excludes taxes and subsidies on production

2 Weights may not sum to the totals due to rounding. The weights shown are in proportion to total gross value added (GVA) in 2002, and are used to com-bine the industry output indices to calculate the totals for 2003 and 2004. For 2002 and earlier, totals are calculated using the equivalent weights for the previous year (e.g. totals for 2002 use 2001 weights).

Sources: Office for National Statistics; Enquiries Columns 1-11 01633 813126; Column 12 020 7533 6031



# Gross value added chained volume measures at basic prices by category of output

#### Gross value added chained volume indices at basic prices, by category of output: 2.9 Service industries

|                              |  |   |   |   |   |   |   |   |   |   |   | 20  | 002 = 100  |
|------------------------------|--|---|---|---|---|---|---|---|---|---|---|---|--|
|                              | Distribut<br>and cateri  | ion hotels<br>ing; repairs              | Transpo<br>and com                      | rt, storage<br>munication               | Business                                      | services a  | nd finance                              | G                                       | overnment a                             |   |   |   |  |
|                              | Motor<br>trades;<br>wholesale<br>and retail<br>trade;<br>repairs | Hotels and<br>restauran-<br>ts          | Transport<br>and<br>storage             | Post and<br>telecommu-<br>nication      | Financial<br>intermedi-<br>ation <sup>3</sup> | Real<br>estate,<br>renting<br>and<br>business<br>activities | Ownership<br>of<br>dwellings            | PAD <sup>1</sup>                        | Education                               | Health and<br>social<br>work            | Other services <sup>2</sup>             | Adjustment<br>for<br>financial<br>services <sup>4</sup> | Total<br>services                                    |
| 2002 weights                 | 124  | 34                                      | 48                                      | 31                                      | 68  | 162   | 78                                      | 50                                      | 60                                      | 67                                      | 52                                      | -44   | 730  |
| Annual                       |  |   |   |   |   |   |   |   |   |   |   |   |  |
| 2001<br>2002<br>2003<br>2004 | GDQC<br>95.2<br>100.0<br>102.9<br>108.0                          | GDQD<br>97.4<br>100.0<br>105.9<br>111.2 | GDQF<br>97.3<br>100.0<br>100.8<br>104.4 | GDQG<br>98.5<br>100.0<br>105.4<br>106.7 | GDQI<br>100.9<br>100.0<br>101.8<br>105.7      | GDQK<br>97.2<br>100.0<br>105.7<br>113.8                     | GDQL<br>98.8<br>100.0<br>102.2<br>104.2 | GDQO<br>97.5<br>100.0<br>103.5<br>105.3 | GDQP<br>98.6<br>100.0<br>100.5<br>100.5 | GDQQ<br>96.6<br>100.0<br>103.2<br>107.4 | GDQR<br>97.1<br>100.0<br>101.2<br>104.7 | GDQJ<br>97.2<br>100.0<br>110.8<br>† 125.3               | GDQS<br>97.4<br>100.0<br>102.7<br>106.4 <sup>†</sup> |
| Quarterly                    |  |   |   |   |   |   |   |   |   |   |   |   |  |
| 2001 Q1                      | 94.2   | 97.0                                    | 96.8                                    | 99.1                                    | 99.2  | 95.5  | 98.1                                    | 97.0                                    | 97.8                                    | 95.4                                    | 95.8                                    | 97.7  | 96.3   |
| Q2                           | 94.5   | 97.1                                    | 97.6                                    | 98.7                                    | 101.2   | 97.0  | 98.7                                    | 97.4                                    | 98.4                                    | 96.4                                    | 96.1                                    | 96.5  | 97.2   |
| Q3                           | 95.2   | 97.9                                    | 97.4                                    | 97.4                                    | 100.7   | 97.5  | 99.2                                    | 97.3                                    | 98.9                                    | 96.8                                    | 97.8                                    | 97.1  | 97.6   |
| Q4                           | 96.8   | 97.8                                    | 97.5                                    | 98.8                                    | 102.4   | 98.7  | 99.3                                    | 98.4                                    | 99.3                                    | 98.0                                    | 98.8                                    | 97.4  | 98.6   |
| 2002 Q1                      | 98.7   | 98.3                                    | 99.3                                    | 100.1                                   | 99.5  | 98.3  | 99.4                                    | 98.9                                    | 99.9                                    | 98.2                                    | 100.2                                   | 97.4  | 99.1   |
| Q2                           | 99.5   | 98.5                                    | 99.3                                    | 98.6                                    | 98.9  | 99.8  | 99.7                                    | 99.8                                    | 99.9                                    | 100.1                                   | 99.5                                    | 99.0  | 99.6   |
| Q3                           | 100.4  | 100.3                                   | 100.5                                   | 99.5                                    | 100.9   | 100.8   | 100.0                                   | 100.2                                   | 100.0                                   | 100.7                                   | 99.8                                    | 100.4   | 100.4  |
| Q4                           | 101.4  | 102.8                                   | 100.9                                   | 101.8                                   | 100.8   | 101.1   | 100.8                                   | 101.1                                   | 100.2                                   | 101.0                                   | 100.6                                   | 103.2   | 101.0  |
| 2003 Q1                      | 101.0  | 104.2                                   | 99.7                                    | 104.4                                   | 101.2   | 103.1   | 101.5                                   | 102.2                                   | 100.3                                   | 101.7                                   | 99.6                                    | 105.3   | 101.5  |
| Q2                           | 102.2  | 106.0                                   | 99.5                                    | 106.6                                   | 101.7   | 104.1   | 101.8                                   | 103.1                                   | 100.5                                   | 102.1                                   | 100.5                                   | 110.1   | 102.0  |
| Q3                           | 103.6  | 106.1                                   | 101.8                                   | 105.0                                   | 101.6   | 106.2   | 102.3                                   | 104.3                                   | 100.5                                   | 103.5                                   | 101.6                                   | 111.9   | 103.1  |
| Q4                           | 104.8  | 107.2                                   | 102.1                                   | 105.5                                   | 102.6   | 109.5   | 103.2                                   | 104.5                                   | 100.5                                   | 105.4                                   | 102.9                                   | 115.8   | 104.3  |
| 2004 Q1                      | 106.7 <sup>1</sup>   | † 109.1                                 | 102.2 <sup>1</sup>                      | 105.4 <sup>1</sup>                      | 105.3   | † 111.2   | 103.7 <sup>1</sup>                      | 105.2                                   | 100.4                                   | 107.0 <sup>1</sup>                      | 102.1                                   | t 120.9 <sup>1</sup>                                    | † 105.2 <sup>†</sup>                                 |
| Q2                           | 107.9  | 111.3                                   | 104.4                                   | 106.0                                   | 104.0   | 112.9   | 104.0                                   | 105.1                                   | 100.4                                   | 106.6                                   | 106.4                                   | 123.0   | 106.1  |
| Q3                           | 108.7  | 111.8                                   | 104.5                                   | 107.7                                   | 105.9   | 114.7   | 104.2                                   | 105.3                                   | 100.6                                   | 107.5                                   | 104.7                                   | 126.2   | 106.8  |
| Q4                           | 108.5  | 112.7                                   | 106.3                                   | 107.8                                   | 107.8   | 116.4   | 104.8                                   | 105.7                                   | 100.7                                   | 108.4                                   | 105.7                                   | 131.1   | 107.4  |
| 2005 Q1                      | 108.1  | 112.2                                   | 107.9                                   | 108.1                                   | 109.4   | 117.8   | 105.2                                   | 106.2                                   | 101.2                                   | 109.3                                   | 107.3                                   | 133.7   | 108.1  |
| Q2                           | 108.3  | 113.4                                   | 107.9                                   | 109.3                                   | 110.6   | 118.8   | 105.7                                   | 106.9                                   | 101.7                                   | 110.6                                   | 108.4                                   | 135.5   | 108.7  |
| Q3                           | 108.9  | 112.3                                   | 107.9                                   | 111.0                                   | 112.1   | 120.1   | 106.3                                   | 107.3                                   | 101.7                                   | 111.3                                   | 111.1                                   | 138.7   | 109.5  |
| Percentage ch                | ange, quarte   | er on corres                            | oonding qua                             | arter of previo                         | us year                                       |   |   |   |   |   |   |   |  |
| Quarterly                    |  |   |   |   |   |   |   |   |   |   |   |   |  |
| 2001 Q1                      | 3.7  | -2.5                                    | 3.1                                     | 13.6                                    | 4.9   | 7.2   | 2.9                                     | 1.9                                     | 0.0                                     | 3.2                                     | 2.8                                     | 9.4   | 3.7  |
| Q2                           | 2.7  | -0.5                                    | 1.8                                     | 10.4                                    | 6.0   | 6.0   | 3.9                                     | 1.5                                     | 0.5                                     | 2.6                                     | 2.8                                     | 4.0   | 3.6  |
| Q3                           | 2.0  | -0.4                                    | 0.2                                     | 5.0                                     | 4.8   | 4.4   | 3.0                                     | 0.4                                     | 1.0                                     | 2.4                                     | 3.4                                     | 4.2   | 2.6  |
| Q4                           | 3.8  | 1.3                                     | 1.8                                     | 1.5                                     | 5.6   | 4.7   | 1.5                                     | 1.2                                     | 1.6                                     | 3.4                                     | 4.7                                     | 2.0   | 3.2  |
| 2002 Q1                      | 4.8  | 1.3                                     | 2.6                                     | 1.0                                     | 0.3   | 2.9   | 1.3                                     | 2.0                                     | 2.1                                     | 2.9                                     | 4.6                                     | -0.3  | 2.9  |
| Q2                           | 5.3  | 1.4                                     | 1.7                                     | -0.1                                    | -2.3  | 2.9   | 1.0                                     | 2.5                                     | 1.5                                     | 3.8                                     | 3.5                                     | 2.6   | 2.5  |
| Q3                           | 5.5  | 2.5                                     | 3.2                                     | 2.2                                     | 0.2   | 3.4   | 0.8                                     | 3.0                                     | 1.1                                     | 4.0                                     | 2.0                                     | 3.4   | 2.9  |
| Q4                           | 4.8  | 5.1                                     | 3.5                                     | 3.0                                     | -1.6  | 2.4   | 1.5                                     | 2.7                                     | 0.9                                     | 3.1                                     | 1.8                                     | 6.0   | 2.4  |
| 2003 Q1                      | 2.3  | 6.0                                     | 0.4                                     | 4.3                                     | 1.7   | 4.9   | 2.1                                     | 3.3                                     | 0.4                                     | 3.6                                     | -0.6                                    | 8.1   | 2.4  |
| Q2                           | 2.7  | 7.6                                     | 0.2                                     | 8.1                                     | 2.8   | 4.3   | 2.1                                     | 3.3                                     | 0.6                                     | 2.0                                     | 1.0                                     | 11.2  | 2.4  |
| Q3                           | 3.2  | 5.8                                     | 1.3                                     | 5.5                                     | 0.7   | 5.4   | 2.3                                     | 4.1                                     | 0.5                                     | 2.8                                     | 1.8                                     | 11.5  | 2.7  |
| Q4                           | 3.4  | 4.3                                     | 1.2                                     | 3.6                                     | 1.8   | 8.3   | 2.4                                     | 3.4                                     | 0.3                                     | 4.4                                     | 2.3                                     | 12.2  | 3.3  |
| 2004 Q1                      | 5.6  | t 4.7                                   | t 2.5 <sup>7</sup>                      | t 1.0 <sup>1</sup>                      | 4.1   | t 7.9   | t 2.2 <sup>1</sup>                      | t 2.9                                   | 0.1                                     | 5.2                                     | t 2.5                                   | t 14.8  | t 3.6 <sup>†</sup>                                   |
| Q2                           | 5.6  | 5.0                                     | 4.9                                     | -0.6                                    | 2.3   | 8.5   | 2.2                                     | 1.9                                     | -0.1                                    | 4.4                                     | 5.9                                     | 11.7  | 4.0  |
| Q3                           | 4.9  | 5.4                                     | 2.7                                     | 2.6                                     | 4.2   | 8.0   | 1.9                                     | 1.0                                     | t 0.1                                   | 3.9                                     | 3.1                                     | 12.8  | 3.6  |
| Q4                           | 3.5  | 5.1                                     | 4.1                                     | 2.2                                     | 5.1   | 6.3   | 1.6                                     | 1.1                                     | 0.2                                     | 2.8                                     | 2.7                                     | 13.2  | 3.0  |
| 2005 Q1                      | 1.3  | 2.8                                     | 5.6                                     | 2.6                                     | 3.9   | 5.9   | 1.4                                     | 1.0                                     | 0.8                                     | 2.1                                     | 5.1                                     | 10.6  | 2.8  |
| Q2                           | 0.4  | 1.9                                     | 3.4                                     | 3.1                                     | 6.3   | 5.2   | 1.6                                     | 1.7                                     | 1.3                                     | 3.8                                     | 1.9                                     | 10.2  | 2.5  |
| Q3                           | 0.2  | 0.4                                     | 3.3                                     | 3.1                                     | 5.9   | 4.7   | 2.0                                     | 1.9                                     | 1.1                                     | 3.5                                     | 6.1                                     | 9.9   | 2.5  |

1 Public administration and national defence; compulsory social security.

 Comprising sections O, and P of the SIC(92).
Comprises section J of the SIC(92). This covers activities of institutions such as banks, building societies, securities dealers, insurance companies and pension funds. It also covers institutions whose activities are closely re-lated to financial intermediation : for example fund managers and insurance brokers.

4 The weight and proxy series for financial intermediation are calculated before the deduction of interest receipts and payments to provide a better indication of the underlying activity for this section (see note 3). However, this overstates the contribution to GDP because interest flows should be treated as transfer pay-ments rather than final consumption. The financial services adjustment, which has a negative weight, corrects for this. 5 See footnote 2 on Table 2.8

Source: Office for National Statistics; Enquiries 01633 813126



£ million

# 2.10 Summary capital accounts and net lending/net borrowing

|                              |  | Non-fina  | ncial corpo  | rations                                      |   | Financial corporations                            |   |   |   |   |                                   | General Government                                 |   |   |   |  |
|------------------------------|--|---|--|--|---|---|---|---|---|---|-----------------------------------|--|---|---|---|--|
|                              | Gross<br>saving <sup>1</sup>                                 | Capita<br>transfers<br>(nei<br>receipts)                  | l<br>s Gr<br>t cap<br>formati  | ac<br>oss<br>bital nor<br>on <sup>2</sup> ia | Net<br>quisition<br>of<br>I-financ-<br>I assets       | Gross<br>saving <sup>1</sup>                      | Capital<br>transfers<br>(net<br>receipts) | (<br>c<br>form                              | Gross<br>capital<br>ation <sup>2</sup>                | acquisit<br>non-fina<br>ial ass                       | Net<br>tion<br>of<br>anc-<br>sets | Gross<br>saving <sup>1</sup>                       | Capital<br>transfers<br>(net<br>receipts)                   | Gross<br>capital<br>formation <sup>2</sup>                | Net<br>acquisition<br>of<br>non-financ-<br>ial assets |  |
| Annual                       |  | 07014   |  |  | DOAX  | DDDO  | 0705                                      |   |   |   |                                   | 0000   | 07011   | DDZE  | DDZE  |  |
| 2001<br>2002<br>2003<br>2004 | RPJV<br>89 893<br>107 576<br>116 527 <sup>†</sup><br>124 790 | 2 661<br>2 098<br>3 316<br>3 396                          | 103<br>99<br>6 99<br>6 99  | 976<br>976<br>453<br>413<br>921 <sup>†</sup> | RQAX<br>1 208<br>1 431<br>1 241<br>1 672 <sup>†</sup> | -9 450<br>15 325<br>19 671 <sup>†</sup><br>26 074 | GZQE<br>-<br>-<br>-                       | Į   | RPYP<br>7 300<br>6 732<br>3 452<br>3 844 <sup>†</sup> | -<br>-<br>-   | -43<br>-36<br>-3 -<br>-6 -        | 25 272<br>1 602<br>-13 036<br>-12 496 <sup>†</sup> | G2QU<br>-4 081<br>-3 674<br>-5 525<br>-5 227 <sup>†</sup>   | 13 929<br>15 602<br>18 244<br>21 165 <sup>†</sup>         | -916<br>-1 087<br>-957<br>-1 071                      |  |
| Quarterly                    |  |   |  |  |   |   |   |   |   |   |                                   |  |   |   |   |  |
| 2001 Q1<br>Q2<br>Q3<br>Q4    | 22 815<br>21 835<br>23 676<br>21 567                         | 599<br>627<br>719<br>716                                  | 25<br>26<br>26<br>25<br>25   | 568<br>171<br>324<br>913                     | 271<br>305<br>331<br>301                              | -5 721<br>-1 717<br>-2 789<br>777                 | -<br>-<br>-                               |   | 2 368<br>2 239<br>1 342<br>1 351                      | -   | –9<br>–11<br>–11<br>–12           | 8 635<br>6 420<br>6 372<br>3 845                   | -749<br>-1 229<br>-1 152<br>-951                            | 2 966<br>3 621<br>3 617<br>3 725                          | -222<br>-221<br>-234<br>-239                          |  |
| 2002 Q1<br>Q2<br>Q3<br>Q4    | 25 584<br>26 944<br>27 663<br>27 385                         | 517<br>350<br>561<br>670                                  | 25<br>24<br>24<br>24<br>25   | 016<br>705<br>418<br>314                     | 379<br>330<br>358<br>364                              | 2 755<br>2 068<br>4 060<br>6 442                  | -<br>-<br>-                               |   | 843<br>1 196<br>3 068<br>1 625                        | -   | –11<br>–10<br>–9<br>–6            | 1 880<br>192<br>1 026<br>–1 496                    | -1 054<br>-647<br>-971<br>-1 002                            | 3 803<br>3 900<br>4 019<br>3 880                          | -284<br>-233<br>-238<br>-332                          |  |
| 2003 Q1<br>Q2<br>Q3<br>Q4    | 28 957 <sup>†</sup><br>27 167<br>29 360<br>31 043            | 729<br>947<br>850<br>790                                  | 22<br>24<br>25<br>25<br>27   | 061<br>024<br>990<br>338                     | 282<br>332<br>364<br>263                              | 6 395 <sup>†</sup><br>4 004<br>4 356<br>4 916     |   |   | 2 120<br>876<br>148<br>308                            |   | -3<br>-<br>1<br>-1                | -2 338 <sup>†</sup><br>-2 911<br>-2 803<br>-4 984  | -1 560<br>-1 468<br>-1 304<br>-1 193                        | 4 546<br>4 190<br>4 573<br>4 935                          | -205<br>-256<br>-252<br>-244                          |  |
| 2004 Q1<br>Q2<br>Q3<br>Q4    | 31 270<br>30 694<br>27 818<br>35 008                         | 882<br>906<br>856<br>752                                  | 26 26 26 26 26 26 26 27 20 20 20 27 20 20 20 20 20 20 20 20 20 20 20 20 20 | 273 <sup>†</sup><br>114<br>281<br>253        | 368 <sup>†</sup><br>418<br>447<br>439                 | 4 533<br>6 650<br>7 376<br>7 515                  | -<br>-<br>-                               |   | 275 <sup>†</sup><br>697<br>1 327<br>1 545             |   | 2<br>2<br>2                       | -3 473<br>-2 019<br>-3 549<br>-3 455               | -1 195 <sup>†</sup><br>-1 427<br>-1 418<br>-1 187           | 4 521 <sup>†</sup><br>5 671<br>5 226<br>5 747             | -251 <sup>†</sup><br>-273<br>-277<br>-270             |  |
| 2005 Q1<br>Q2<br>Q3          | 28 797<br>35 317<br>31 912                                   | 1 550<br>1 096<br>803                                     | 26<br>25<br>3 27   | 540<br>102<br>316                            | 399<br>409<br>418                                     | 7 001<br>5 192<br>812                             |   |   | -623<br>2 600<br>436                                  |   | -2<br>-1<br>-                     | -2 392<br>-2 907<br>-1 120                         | -1 721<br>-1 313<br>-1 271                                  | 6 329<br>5 791<br>6 396                                   | -268<br>-282<br>-287                                  |  |
|                              |  | ŀ   |  |  |   |   | Net le                                    | ending                                      | (+)/net bo  | orrowing(-) <sup>3</sup>                              |                                   |  |   |   |   |  |
|                              | Gross s  | 1<br>aving <sup>1</sup>                                   | Capital<br>transfers<br>(net<br>receipts)  | Gro<br>cap<br>formatic                       | a<br>iss<br>ital nor<br>in <sup>2</sup>               | Net<br>cquisition<br>of<br>n-financial<br>assets  | Non-financ                                | cial  | Fina  | incial<br>tions a                                     | Ger                               | neral H  | louseholds<br>& NPISH                                       | Rest of the world <sup>4</sup>                            | Statistical<br>Discrepancy                            |  |
| Annual                       |  | 3   | ,  |  |   |   |   |   |   | J   |                                   |  |   |   |   |  |
| 2001<br>2002<br>2003<br>2004 |  | RPQL<br>44 352<br>34 691<br>41 002 <sup>†</sup><br>34 813 | GZQI<br>3 023<br>2 876<br>3 876<br>4 322 <sup>†</sup>  | RP<br>43 9<br>50 2<br>55 4<br>62 5           | ZV<br>96<br>68<br>75<br>92 <sup>†</sup>               | RPZU<br>-152<br>-176<br>-210<br>-276              | RQ/<br>-15 9<br>4 8<br>15 3<br>17 4       | AW<br>981<br>364<br>361 <sup>†</sup><br>426 | R<br>-16<br>8<br>16<br>22                             | 1PYN<br>5 707<br>3 629<br>5 222 <sup>†</sup><br>2 236 | Ri<br>8<br>–16<br>–35<br>–37      | PZD<br>178<br>587<br>848<br>817 <sup>†</sup>       | RPZT<br>3 531<br>-12 525<br>-10 387 <sup>†</sup><br>-23 181 | RQCH<br>20 979<br>15 619<br>14 652 <sup>†</sup><br>21 311 | DJDS<br>-<br>-<br>25                                  |  |
| Quarterly                    |  |   |  |  |   |   |   |   |   |   |                                   |  |   |   |   |  |
| 2001 Q1<br>Q2<br>Q3<br>Q4    | -  | 12 161<br>11 344<br>10 640<br>10 207                      | 418<br>1 266<br>747<br>592   | 10 8<br>10 5<br>11 6<br>10 9                 | 81<br>40<br>28<br>47                                  | -25<br>-36<br>-44<br>-47                          | -3 3<br>-4 8<br>-3 0<br>-4 7              | 363<br>367<br>009<br>742                    | -8<br>-3<br>-4  | 3 080<br>3 945<br>4 120<br>–562                       | 5<br>1<br>1                       | 142<br>791<br>837<br>-592                          | 1 723<br>2 106<br>-197<br>-101                              | 4 578<br>4 915<br>5 489<br>5 997                          | -<br>-<br>-<br>-                                      |  |
| 2002 Q1<br>Q2<br>Q3<br>Q4    |  | 7 468<br>9 218<br>9 278<br>8 727                          | 787<br>556<br>697<br>836   | 12 0<br>12 9<br>12 1<br>13 1                 | 28<br>68<br>49<br>23                                  | -47<br>-45<br>-43<br>-41                          | -<br>15<br>27<br>6                        | -68<br>543<br>713<br>576                    | 1<br>1<br>4   | I 923<br>882<br>I 001<br>I 823                        | -2<br>-4<br>-3<br>-6              | 693<br>122<br>726<br>046                           | -3 726<br>-3 149<br>-2 131<br>-3 519                        | 4 564<br>4 846<br>2 143<br>4 066                          | -<br>-<br>-<br>-                                      |  |
| 2003 Q1<br>Q2<br>Q3<br>Q4    |  | 9 591 <sup>†</sup><br>10 227<br>9 938<br>11 246           | 1 156<br>779<br>863<br>1 078   | 13 0<br>13 2<br>14 5<br>14 6                 | 18<br>55<br>25<br>77                                  | 46<br>49<br>55<br>60                              | 5 9<br>2 8<br>3 0<br>3 5                  | 968 <sup>†</sup><br>362<br>018<br>513       | 4<br>3<br>4<br>4                                      | 4 278 <sup>†</sup><br>3 128<br>4 207<br>4 609         | 8<br>8<br>10                      | 239 <sup>†</sup><br>313<br>428<br>868              | -2 225 <sup>†</sup><br>-2 200<br>-3 669<br>-2 293           | 217 <sup>†</sup><br>4 522<br>4 872<br>5 041               | -<br>-<br>-<br>-                                      |  |
| 2004 Q1<br>Q2<br>Q3<br>Q4    |  | 9 722<br>8 344<br>8 506<br>8 241                          | 1 120 <sup>†</sup><br>1 227<br>954<br>1 021  | 15 1<br>15 9<br>15 6<br>15 8                 | 63 <sup>†</sup><br>59<br>30<br>40                     | 64<br>68<br>71<br>73                              | 4 6<br>4 2<br>1 1<br>7 2                  | 696<br>255<br>184<br>291                    | 4<br>5<br>6<br>5                                      | 4 258<br>5 955<br>6 051<br>5 972                      | 8<br>8<br>9<br>-10                | 938<br>844<br>916<br>119                           | -4 257<br>-6 320<br>-6 099<br>-6 505                        | 4 161<br>4 902<br>8 788<br>3 460                          | 80<br>52<br>–8<br>–99                                 |  |
| 2005 Q1<br>Q2<br>Q3          |  | 9 562<br>11 676<br>11 529                                 | 1 807<br>1 001<br>927  | 16 4<br>15 8<br>17 3                         | 95<br>45<br>93  | -76<br>-79<br>-81                                 | 2 0<br>10 0<br>3 6                        | )36<br>)06<br>645                           | 7<br>2  | 7 626<br>2 593<br>376                                 | -10<br>-9<br>-8                   | 174<br>729<br>500                                  | 5 050<br>3 089<br>4 856                                     | 5 943<br>701<br>9 883                                     | –382<br>–482<br>–547                                  |  |

1 Before providing for depreciation, inventory holding gains.

3 This balance is equal to gross saving *plus* capital transfers *less* gross fixed capital formation, *less* Net acquisition of non-financial assets,

2 Comprises gross fixed capital formation and changes in inventories and ac-quisitions less disposals of valuables.

Less gloss inteo capital formation, less iver acquisition of non-innancial assets, less changes in inventories.
4 Equals, the current balance of payments accounts, plus capital transfers. Sources: Office for National Statistics; Enquiries Part 1 (Upper) Columns 1,3-5,7-9,11,12 020 7533 6031; Columns 2,6,10 020 7533 5985; Part 2 (Lower) Columns 1, 3-10 020 7533 6031; Column 2 020 7533 5985


£ million

## Private Non-Financial Corporations : Allocation of Primary Income Account 2.11

|                                      |  |   |  | Resources  | 6   |  | Uses  |  |  |  |  |  |
|--------------------------------------|--|---|--|--|---|--|---|--|--|--|--|--|
|                                      |  | Gross   | operating su                                       | urplus   |   |  |   | Propert  | ty income pay  | /ments   |  |  |
|                                      | Gross tradir   | ng profits  |  | loss   |   |  |   |  |  |  | Gross  | Share of                                     |
|                                      | Continental<br>shelf<br>companies                      | Others <sup>1</sup>   | Rental of buildings                                | Inventory<br>holding<br>gains                    | Gross<br>operating<br>surplus+ <sup>1</sup>                 | Property<br>income<br>receipts                         | Total<br>resources <sup>1,2</sup>                           | Total payments   | <i>of which</i><br>Dividends                           | <i>of which</i><br>Interest                            | balance of<br>primary<br>incomes <sup>1</sup>              | gross<br>national<br>income <sup>1</sup> (%) |
| Annual                               |  |   |  |  |   |  |   |  |  |  |  |  |
| 1995<br>1996<br>1997<br>1998<br>1999 | CAGD<br>12 124<br>15 726<br>14 002<br>11 701<br>13 669 | CAED<br>125 151<br>136 579<br>149 176<br>153 282<br>157 101 | FCBW<br>9 379<br>8 948<br>9 254<br>9 724<br>10 742 | -DLRA<br>-4 489<br>-958<br>-361<br>753<br>-1 801 | CAER<br>142 165<br>160 295<br>172 071<br>175 460<br>179 711 | RPBM<br>42 948<br>45 712<br>48 067<br>49 543<br>48 045 | RPBN<br>185 113<br>206 007<br>220 138<br>225 003<br>227 756 | RPBP<br>95 631<br>104 695<br>111 546<br>110 015<br>118 244 | RVFT<br>46 218<br>51 609<br>56 250<br>51 578<br>61 101 | ROCG<br>24 098<br>23 965<br>26 541<br>31 095<br>31 016 | RPBO<br>89 482<br>101 312<br>108 592<br>114 988<br>109 512 | NRJL<br>12.5<br>13.3<br>13.4<br>13.2<br>12.1 |
| 2000                                 | 20 936   | 156 678   | 11 657   | -2 941   | 186 330   | 60 525   | 246 855   | 128 508  | 55 846   | 37 912   | 118 347  | 12.4   |
| 2001                                 | 19 696   | 154 292   | 12 304   | 434  | 186 726   | 72 749   | 259 475   | 145 111  | 77 516   | 39 419   | 114 364  | 11.4   |
| 2002                                 | 19 132   | 161 586   | 12 885   | -2 856   | 190 747   | 66 330   | 257 077   | 126 455  | 61 580   | 36 459   | 130 622  | 12.2   |
| 2003                                 | 18 631   | 172 608   | 13 652   | -4 148   | 200 743   | 71 495 <sup>†</sup>                                    | 272 238 <sup>†</sup>  | 134 465 <sup>†</sup>                                       | 71 096 <sup>†</sup>                                    | 35 697 <sup>†</sup>                                    | 137 773 <sup>†</sup>                                       | 12.2   |
| 2004                                 | 18 932 <sup>†</sup>                                    | 186 208 <sup>†</sup>  | 14 225   | -4 113   | 215 252 <sup>†</sup>  | 78 890   | 294 142   | 145 276  | 72 509   | 41 452   | 148 866  | 12.5   |
| Quarterly                            |  |   |  |  |   |  |   |  |  |  |  |  |
| 1995 Q1                              | 2 966  | 31 468  | 2 264  | -1 738   | 34 960  | 9 221  | 44 181  | 21 980   | 9 747  | 5 620  | 22 201   | 12.6   |
| Q2                                   | 3 113  | 30 827  | 2 336  | -1 588   | 34 688  | 10 022   | 44 710  | 22 293   | 9 732  | 5 959  | 22 417   | 12.7   |
| Q3                                   | 2 934  | 31 550  | 2 379  | -1 181   | 35 682  | 11 776   | 47 458  | 25 500   | 13 092   | 6 112  | 21 958   | 12.2   |
| Q4                                   | 3 111  | 31 306  | 2 400  | 18   | 36 835  | 11 929   | 48 764  | 25 858   | 13 647   | 6 407  | 22 906   | 12.5   |
| 1996 Q1                              | 3 529  | 32 829  | 2 331  | 800  | 37 799  | 10 997   | 48 796  | 27 293   | 12 654   | 6 119  | 21 503   | 11.5   |
| Q2                                   | 3 935  | 33 170  | 2 248  | 102  | 39 409  | 12 005   | 51 414  | 24 196   | 11 156   | 5 964  | 27 218   | 14.4   |
| Q3                                   | 4 087  | 34 782  | 2 192  | 208  | 40 849  | 10 185   | 51 034  | 25 512   | 12 420   | 5 895  | 25 522   | 13.3   |
| Q4                                   | 4 175  | 35 798  | 2 177  | 152  | 42 238  | 12 525   | 54 763  | 27 694   | 15 379   | 5 987  | 27 069   | 14.0   |
| 1997 Q1                              | 3 891  | 36 976  | 2 247  | -23  | 43 124  | 10 951   | 54 075  | 25 631   | 12 345   | 6 125  | 28 444   | 14.4   |
| Q2                                   | 3 294  | 37 239  | 2 294  | 239  | 43 083  | 11 608   | 54 691  | 27 945   | 14 723   | 6 623  | 26 746   | 13.2   |
| Q3                                   | 3 454  | 37 747  | 2 341  | -506   | 43 039  | 13 883   | 56 922  | 28 519   | 15 210   | 6 627  | 28 403   | 13.8   |
| Q4                                   | 3 363  | 37 214  | 2 372  | -71  | 42 825  | 11 625   | 54 450  | 29 451   | 13 972   | 7 166  | 24 999   | 12.1   |
| 1998 Q1                              | 3 161  | 36 871  | 2 414  | 107  | 43 101  | 13 795   | 56 896  | 30 385   | 15 077   | 7 545  | 26 511   | 12.6   |
| Q2                                   | 3 105  | 37 239  | 2 424  | 53   | 42 788  | 11 590   | 54 378  | 26 444   | 11 541   | 7 735  | 27 934   | 13.0   |
| Q3                                   | 2 780  | 39 682  | 2 435  | 315  | 44 757  | 11 711   | 56 468  | 26 385   | 11 509   | 7 965  | 30 083   | 13.6   |
| Q4                                   | 2 655  | 39 490  | 2 451  | 278  | 44 814  | 12 447   | 57 261  | 26 801   | 13 451   | 7 850  | 30 460   | 13.7   |
| 1999 Q1                              | 2 603  | 38 895  | 2 592  | -302   | 44 006  | 7 978  | 51 984  | 18 758   | 7 482  | 7 464  | 33 226   | 15.1   |
| Q2                                   | 3 018  | 40 192  | 2 647  | -440   | 45 681  | 14 108   | 59 789  | 36 939   | 23 479   | 7 413  | 22 850   | 10.2   |
| Q3                                   | 3 955  | 38 736  | 2 715  | -645   | 44 398  | 11 297   | 55 695  | 29 934   | 14 595   | 7 806  | 25 761   | 11.3   |
| Q4                                   | 4 093  | 39 278  | 2 788  | -414   | 45 626  | 14 662   | 60 288  | 32 613   | 15 545   | 8 333  | 27 675   | 12.0   |
| 2000 Q1                              | 4 626  | 38 558  | 2 801  | -702   | 45 649  | 14 310   | 59 959  | 32 410   | 15 181   | 8 844  | 27 549   | 11.7   |
| Q2                                   | 5 134  | 38 494  | 2 875  | -830   | 46 057  | 14 446   | 60 503  | 30 455   | 12 370   | 9 405  | 30 048   | 12.7   |
| Q3                                   | 5 407  | 38 882  | 2 953  | -799   | 45 922  | 15 138   | 61 060  | 31 071   | 12 127   | 9 615  | 29 989   | 12.5   |
| Q4                                   | 5 769  | 40 744  | 3 028  | -610   | 48 702  | 16 631   | 65 333  | 34 572   | 16 168   | 10 048   | 30 761   | 12.7   |
| 2001 Q1                              | 5 450  | 36 936  | 3 039  | 329  | 46 265  | 17 627   | 63 892  | 34 961   | 15 759   | 10 406   | 28 931   | 11.7   |
| Q2                                   | 5 348  | 36 862  | 3 071  | 5  | 45 747  | 18 820   | 64 567  | 36 530   | 19 491   | 9 929  | 28 037   | 11.2   |
| Q3                                   | 4 697  | 39 808  | 3 093  | –52  | 46 904  | 21 158   | 68 062  | 38 796   | 21 835   | 10 107   | 29 266   | 11.6   |
| Q4                                   | 4 201  | 40 686  | 3 101  | 152  | 47 810  | 15 144   | 62 954  | 34 824   | 20 431   | 8 977  | 28 130   | 11.0   |
| 2002 Q1                              | 4 329  | 41 071  | 3 181  | -733   | 47 848  | 17 375   | 65 223  | 34 242   | 18 302   | 9 077  | 30 981   | 11.9   |
| Q2                                   | 4 774  | 41 177  | 3 193  | -762   | 48 382  | 16 111   | 64 493  | 31 588   | 15 336   | 9 123  | 32 905   | 12.4   |
| Q3                                   | 4 771  | 39 943  | 3 232  | -384   | 47 562  | 16 242   | 63 804  | 30 462   | 14 917   | 9 083  | 33 342   | 12.3   |
| Q4                                   | 5 258  | 39 395  | 3 279  | -977   | 46 955  | 16 602   | 63 557  | 30 163   | 13 025   | 9 176  | 33 394   | 12.2   |
| 2003 Q1                              | 5 116  | 41 381  | 3 337  | -761   | 49 073  | 17 108 <sup>†</sup>                                    | 66 181 <sup>†</sup>   | 31 637 <sup>†</sup>  | 15 800 <sup>†</sup>                                    | 9 065 <sup>†</sup>                                     | 34 544 <sup>†</sup>  | 12.4   |
| Q2                                   | 4 047  | 42 817  | 3 393  | -1 286   | 48 971  | 18 890   | 67 861  | 35 847   | 19 645   | 8 771  | 32 014   | 11.5   |
| Q3                                   | 4 951  | 44 101  | 3 442  | -912   | 51 582  | 18 459   | 70 041  | 34 983   | 19 372   | 8 825  | 35 058   | 12.4   |
| Q4                                   | 4 517  | 44 309  | 3 480  | -1 189   | 51 117  | 17 038   | 68 155  | 31 998   | 16 279   | 9 036  | 36 157   | 12.5   |
| 2004 Q1                              | 4 737 <sup>†</sup>                                     | 44 876 <sup>†</sup>   | 3 507  | -908   | 52 212 <sup>†</sup>   | 18 008   | 70 220  | 33 516   | 16 647   | 9 514  | 36 704   | 12.6   |
| Q2                                   | 4 773  | 46 013  | 3 534  | -799   | 53 521  | 18 427   | 71 948  | 34 678   | 17 244   | 10 213   | 37 270   | 12.6   |
| Q3                                   | 4 842  | 47 113  | 3 570  | -1 051   | 54 474  | 20 308   | 74 782  | 40 924   | 21 861   | 10 691   | 33 858   | 11.4   |
| Q4                                   | 4 580  | 48 206  | 3 614  | -1 355   | 55 045  | 22 147   | 77 192  | 36 158   | 16 757   | 11 034   | 41 034   | 13.4   |
| 2005 Q1                              | 4 897  | 46 650  | 3 651  | _954 <sup>†</sup>                                | 54 244  | 22 894   | 77 138  | 41 307   | 21 699   | 11 697   | 35 831   | 11.8   |
| Q2                                   | 5 346  | 47 574  | 3 687  | 101  | 56 708  | 25 498   | 82 206  | 39 209   | 18 475   | 12 338   | 42 997   | 13.7   |
| Q3                                   | 5 563  | 48 512  | 3 729  | _1 039   | 56 765  | 26 705   | 83 470  | 43 668   | 23 115   | 12 648   | 39 802   | 12.8   |

Quarterly alignment adjustment included in this series.
 Total resources equals total uses.

Source: Office for National Statistics; Enquiries 020 7533 6014



## Private Non-financial Corporations : Secondary Distribution of Income Account and Capital Account 2.12

|                                      |  |   | -  |  |   |  | £ millio                                  |  |  |   |   |   |  |
|--------------------------------------|--|---|--|--|---|--|---|--|--|---|---|---|--|
|                                      |  | Secondary D                                       | Distribution   | of Income A  | ccount  |  | Capital Account                           |  |  |   |   |   |  |
|                                      |  | Resources   |  |  | Uses  |  | Chang<br>liabil<br>& net                  | ges in<br>ities<br>worth                               |  | Changes   | in assets                                   |   |  |
|                                      | Gross<br>balance of<br>primary<br>incomes                  | Other<br>resources <sup>2</sup>                   | Total <sup>1,3</sup>                                       | Taxes on<br>income                                     | Other<br>uses <sup>4</sup>                        | Gross<br>disposable<br>income <sup>1,5</sup>           | Net<br>capital<br>transfer<br>receipts    | Total <sup>1</sup>                                     | Gross<br>fixed<br>capital<br>formation                 | Changes in inventories <sup>1</sup>               | Other<br>changes<br>in assets <sup>6</sup>  | Net lending<br>(+)<br>or<br>borrowing<br>(-) <sup>1,7</sup> |  |
| Annual                               |  |   |  |  |   |  |   |  |  |   |   |   |  |
| 1995<br>1996<br>1997<br>1998<br>1999 | RPBO<br>89 482<br>101 312<br>108 592<br>114 988<br>109 512 | NROQ<br>7 704<br>8 420<br>7 097<br>8 179<br>7 875 | RPKY<br>97 186<br>109 732<br>115 689<br>123 167<br>117 387 | RPLA<br>18 953<br>23 080<br>28 558<br>26 877<br>22 608 | NROO<br>8 104<br>9 938<br>7 576<br>8 623<br>8 444 | RPKZ<br>70 129<br>76 714<br>79 555<br>87 667<br>86 335 | NROP<br>433<br>428<br>671<br>1 081<br>958 | RPXH<br>70 562<br>77 142<br>80 226<br>88 748<br>87 293 | ROAW<br>64 444<br>72 778<br>81 089<br>90 180<br>94 463 | DLQY<br>4 542<br>1 672<br>3 949<br>4 533<br>6 174 | NRON<br>388<br>263<br>401<br>1 287<br>1 036 | RQBV<br>1 188<br>2 429<br>-5 213<br>-7 252<br>-14 380       |  |
| 2000                                 | 118 347  | 9 990   | 128 337  | 26 188   | 10 403  | 91 746   | 405                                       | 92 151   | 96 873   | 5 512   | 776   | -11 010   |  |
| 2001                                 | 114 364  | 9 229   | 123 593  | 26 061   | 9 640   | 87 892   | 1 621                                     | 89 513   | 98 035   | 5 941   | 1 138                                       | -15 601   |  |
| 2002                                 | 130 622  | 9 889   | 140 511  | 24 432   | 10 311  | 105 768  | 1 093                                     | 106 861  | 96 819   | 2 677   | 1 212                                       | 6 153   |  |
| 2003                                 | 137 773 <sup>†</sup>                                       | 10 199  | 147 972 <sup>†</sup>                                       | 23 461   | 10 633  | 113 878 <sup>†</sup>                                   | 2 692                                     | 116 570 <sup>†</sup>                                   | 95 556   | 3 954   | 862   | 16 198 <sup>†</sup>   |  |
| 2004                                 | 148 866  | 10 172 <sup>†</sup>                               | 159 038  | 26 621 <sup>†</sup>                                    | 10 618 <sup>†</sup>                               | 121 799  | 2 861 <sup>†</sup>                        | 124 660  | 100 383 <sup>†</sup>                                   | 5 637 <sup>†</sup>                                | 1 227 <sup>†</sup>                          | 17 413  |  |
| Quarterly                            |  |   |  |  |   |  |   |  |  |   |   |   |  |
| 1995 Q1                              | 22 201   | 1 825   | 24 026   | 4 252  | 1 922   | 17 852   | 127                                       | 17 979   | 14 794   | -268  | 121   | 3 332   |  |
| Q2                                   | 22 417   | 1 936   | 24 353   | 5 420  | 2 032   | 16 901   | 98  | 16 999   | 16 117   | 2 234   | 125   | -1 477  |  |
| Q3                                   | 21 958   | 1 953   | 23 911   | 4 368  | 2 049   | 17 494   | 102                                       | 17 596   | 16 460   | 1 695   | 87  | -646  |  |
| Q4                                   | 22 906   | 1 990   | 24 896   | 4 913  | 2 101   | 17 882   | 106                                       | 17 988   | 17 073   | 881   | 55  | -21   |  |
| 1996 Q1                              | 21 503   | 2 238   | 23 741   | 6 109  | 3 336   | 14 296   | 125                                       | 14 421   | 17 497   | 1 218   | 63  | -4 357  |  |
| Q2                                   | 27 218   | 2 219   | 29 437   | 5 660  | 2 369   | 21 408   | 102                                       | 21 510   | 17 426   | 322   | 71  | 3 691   |  |
| Q3                                   | 25 522   | 1 994   | 27 516   | 5 944  | 2 124   | 19 448   | 96  | 19 544   | 18 437   | 1   | 57  | 1 049   |  |
| Q4                                   | 27 069   | 1 969   | 29 038   | 5 367  | 2 109   | 21 562   | 105                                       | 21 667   | 19 418   | 131   | 72  | 2 046   |  |
| 1997 Q1                              | 28 444   | 1 771   | 30 215   | 7 017  | 1 888   | 21 310   | 233                                       | 21 543   | 19 263   | 740   | 64  | 1 476   |  |
| Q2                                   | 26 746   | 1 757   | 28 503   | 7 763  | 1 901   | 18 839   | 164                                       | 19 003   | 20 458   | 515   | 94  | 2 064   |  |
| Q3                                   | 28 403   | 1 739   | 30 142   | 6 909  | 1 848   | 21 385   | 131                                       | 21 516   | 20 059   | 1 714   | 103   | 360   |  |
| Q4                                   | 24 999   | 1 830   | 26 829   | 6 869  | 1 939   | 18 021   | 143                                       | 18 164   | 21 309   | 980   | 140   | 4 265   |  |
| 1998 Q1                              | 26 511   | 2 217   | 28 728   | 6 768  | 2 328   | 19 632   | 343                                       | 19 975   | 21 896   | 1 376   | 256   | -3 553  |  |
| Q2                                   | 27 934   | 2 099   | 30 033   | 6 829  | 2 210   | 20 994   | 220                                       | 21 214   | 22 381   | 30  | 381   | -1 578  |  |
| Q3                                   | 30 083   | 1 891   | 31 974   | 6 712  | 2 002   | 23 260   | 248                                       | 23 508   | 23 326   | 954   | 379   | -1 151  |  |
| Q4                                   | 30 460   | 1 972   | 32 432   | 6 568  | 2 083   | 23 781   | 270                                       | 24 051   | 22 577   | 2 173   | 271   | -970  |  |
| 1999 Q1                              | 33 226   | 2 037   | 35 263   | 5 543  | 2 264   | 27 456   | 344                                       | 27 800   | 23 303   | 2 180   | 301   | 2 016   |  |
| Q2                                   | 22 850   | 1 925   | 24 775   | 4 841  | 2 038   | 17 896   | 199                                       | 18 095   | 23 035   | 861   | 315   | 6 116   |  |
| Q3                                   | 25 761   | 1 608   | 27 369   | 5 868  | 1 722   | 19 779   | 216                                       | 19 995   | 24 096   | 1 275   | 191   | 5 567   |  |
| Q4                                   | 27 675   | 2 305   | 29 980   | 6 356  | 2 420   | 21 204   | 199                                       | 21 403   | 24 029   | 1 858   | 229   | 4 713   |  |
| 2000 Q1                              | 27 549   | 2 475   | 30 024   | 7 059  | 2 592   | 20 373   | 315                                       | 20 688   | 23 769   | 1 358   | 193   | -4 632  |  |
| Q2                                   | 30 048   | 2 429   | 32 477   | 6 410  | 2 526   | 23 541   | 20  | 23 561   | 23 549   | 1 123   | 157   | -1 268  |  |
| Q3                                   | 29 989   | 2 734   | 32 723   | 6 491  | 2 833   | 23 399   | 34  | 23 433   | 24 256   | 1 481   | 158   | -2 462  |  |
| Q4                                   | 30 761   | 2 352   | 33 113   | 6 228  | 2 452   | 24 433   | 36  | 24 469   | 25 299   | 1 550   | 268   | -2 648  |  |
| 2001 Q1                              | 28 931   | 2 253   | 31 184   | 6 489  | 2 354   | 22 341   | 200                                       | 22 541   | 24 862   | 734   | 238   | -3 293  |  |
| Q2                                   | 28 037   | 2 377   | 30 414   | 6 591  | 2 480   | 21 343   | 439                                       | 21 782   | 24 713   | 1 424   | 326   | -4 681  |  |
| Q3                                   | 29 266   | 2 262   | 31 528   | 6 011  | 2 365   | 23 152   | 485                                       | 23 637   | 24 730   | 1 606   | 297   | -2 996  |  |
| Q4                                   | 28 130   | 2 337   | 30 467   | 6 970  | 2 441   | 21 056   | 497                                       | 21 553   | 23 730   | 2 177   | 277   | -4 631  |  |
| 2002 Q1                              | 30 981   | 2 392   | 33 373   | 5 709  | 2 496   | 25 168   | 333                                       | 25 501   | 24 196   | 828   | 336   | 141   |  |
| Q2                                   | 32 905   | 2 396   | 35 301   | 6 282  | 2 501   | 26 518   | 300                                       | 26 818   | 24 183   | 529   | 282   | 1 824   |  |
| Q3                                   | 33 342   | 2 501   | 35 843   | 6 108  | 2 607   | 27 128   | 392                                       | 27 520   | 24 017   | 406   | 306   | 2 791   |  |
| Q4                                   | 33 394   | 2 600   | 35 994   | 6 333  | 2 707   | 26 954   | 68  | 27 022   | 24 423   | 914   | 288   | 1 397   |  |
| 2003 Q1                              | 34 544 <sup>†</sup>  | 2 562   | 37 106 <sup>†</sup>  | 6 110 <sup>†</sup>                                     | 2 669   | 28 327 <sup>†</sup>                                    | 541                                       | 28 868 <sup>†</sup>                                    | 22 504   | -419  | 197   | 6 586 <sup>†</sup>  |  |
| Q2                                   | 32 014   | 2 616   | 34 630   | 5 313  | 2 724   | 26 593   | 653                                       | 27 246   | 24 478   | -454  | 264   | 2 958   |  |
| Q3                                   | 35 058   | 2 602   | 37 660   | 6 308  | 2 711   | 28 641   | 786                                       | 29 427   | 23 775   | 2 251   | 254   | 3 147   |  |
| Q4                                   | 36 157   | 2 419   | 38 576   | 5 730  | 2 529   | 30 317   | 712                                       | 31 029   | 24 799   | 2 576   | 147   | 3 507   |  |
| 2004 Q1                              | 36 704   | 2 575 <sup>†</sup>                                | 39 279   | 6 005  | 2 685 <sup>†</sup>                                | 30 589   | 825 <sup>†</sup>                          | 31 414   | 25 148 <sup>†</sup>                                    | 1 125 <sup>†</sup>                                | 287 <sup>†</sup>                            | 4 854   |  |
| Q2                                   | 37 270   | 2 627   | 39 897   | 7 215  | 2 738   | 29 944   | 745                                       | 30 689   | 24 891   | 1 261   | 296   | 4 241   |  |
| Q3                                   | 33 858   | 2 533   | 36 391   | 6 641  | 2 645   | 27 105   | 697                                       | 27 802   | 25 281   | 1 043   | 316   | 1 162   |  |
| Q4                                   | 41 034   | 2 437   | 43 471   | 6 760  | 2 550   | 34 161   | 594                                       | 34 755   | 25 063   | 2 208   | 328   | 7 156   |  |
| 2005 Q1                              | 35 831   | 2 557   | 38 388   | 7 633  | 2 700   | 28 055   | 1 402                                     | 29 457   | 25 522   | 1 074   | 245   | 2 616   |  |
| Q2                                   | 42 997   | 2 893   | 45 890   | 7 974  | 3 007   | 34 909   | 938                                       | 35 847   | 24 660   | 444   | 303   | 10 440  |  |
| Q3                                   | 39 802   | 2 769   | 42 571   | 8 331  | 2 884   | 31 356   | 658                                       | 32 014   | 26 269   | 1 613   | 242   | 3 890   |  |

Quarterly alignment adjustment included in this series.
 Social contributions and other current transfers.
 Total resources equals total uses.
 Social benefits and other current transfers.

5 Also known as gross saving.6 Acquisitions less disposals of valuables and non-produced non-financial as-6 Acquisition 2 at sets.
7 Gross of fixed capital consumption. *Source: Office for National Statistics; Enquiries 020 7533 6014*





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## 2.13 Balance of payments: current account

|                              |   | -   | •   |  |   |   |   |  |   | £ million                                      |
|------------------------------|---|---|---|--|---|---|---|--|---|--|
|                              |   | -   | Frade in goods  | and services   |   |   |   |  |   |  |
|                              | Exports of goods+   | Imports of<br>goods+  | Balance of<br>trade in<br>goods                               | Exports of services  | Imports of services                                       | Services<br>balance                                       | Income<br>balance   | Current<br>transfers<br>balance                            | Current<br>balance  | Current<br>balance as %<br>of GDP <sup>1</sup> |
| Annual                       | 0   | U   |   |  |   |   |   |  |   |  |
| 2001<br>2002<br>2003<br>2004 | BOKG<br>190 055<br>186 511<br>188 615<br>190 933 <sup>†</sup> | BOKH<br>230 703<br>233 598<br>236 479<br>251 347 <sup>†</sup> | BOKI<br>-40 648<br>-47 087<br>-47 864<br>-60 414 <sup>†</sup> | IKBB<br>83 061<br>88 434<br>93 616<br>103 016 <sup>†</sup> | IKBC<br>69 358<br>72 898<br>76 734<br>81 580 <sup>†</sup> | IKBD<br>13 703<br>15 536<br>16 882<br>21 436 <sup>†</sup> | HBOJ<br>11 371<br>23 679<br>24 995 <sup>†</sup><br>26 721 | IKBP<br>-6 611<br>-8 615<br>-9 961<br>-10 940 <sup>†</sup> | HBOP<br>-22 185<br>-16 487<br>-15 948 <sup>†</sup><br>-23 197 | AA6H<br>-2.2<br>-1.6<br>-1.4<br>-2.0           |
| Quarterly                    |   |   |   |  |   |   |   |  |   |  |
| 2001 01                      | 10 523  | 58 884  | -0.361  | 21 764   | 17 534  | 1 230   | 2 182   | _1 807   | _1 756  | _1 0   |
| Q2                           | 48 329  | 58 774  | -10 445   | 21 922   | 17 464  | 4 458   | 3 202   | -2 682   | -5 467  | -2.2   |
| Q3                           | 46 561  | 56 911  | -10 350   | 18 775   | 17 495  | 1 280   | 3 355   | 29   | -5 686  | -2.3   |
| Q4                           | 45 642  | 56 134  | -10 492   | 20 600   | 16 865  | 3 735   | 2 632   | -2 151   | -6 276  | -2.5   |
| 2002 Q1                      | 46 192  | 57 437  | -11 245   | 21 716   | 17 897  | 3 819   | 4 993   | -2 269   | -4 702  | -1.8   |
| Q2                           | 49 273  | 59 820  | -10 547   | 21 475   | 18 169  | 3 306   | 4 649   | -2 396   | -4 988  | -1.9   |
| Q3                           | 46 772  | 58 663  | -11 891   | 22 936   | 18 449  | 4 487   | 6 521   | -1 404   | -2 287  | -0.9   |
| Q4                           | 44 274  | 57 678  | -13 404   | 22 307   | 18 383  | 3 924   | 7 516   | -2 546   | -4 510  | -1.7   |
| 2003 Q1                      | 49 034  | 59 686  | -10 652   | 23 179   | 18 993  | 4 186   | 8 264 <sup>†</sup>  | -2 237   | -439 <sup>†</sup>   | -0.2   |
| Q2                           | 46 813  | 57 856  | -11 043   | 23 082   | 18 854  | 4 228   | 5 035   | -2 898   | -4 678  | -1.7   |
| Q3<br>04                     | 46 302<br>46 466  | 58 602<br>60 335  | -12 300<br>-13 869  | 23 635<br>23 720   | 19 382<br>19 505  | 4 253<br>4 215  | 5 400<br>6 296  | -2 501<br>-2 325   | -5 148<br>-5 683  | -1.8<br>-2.0                                   |
| <u>a</u>                     | 10 100  | +   | 10 000  | 20720  | 10 000  | 1210  | 0 200   | 1 020  | 0 000   | 2.0  |
| 2004 Q1                      | 46 185 <sup>T</sup>   | 59 874 <sup>T</sup>   | -13 689 <sup>⊤</sup>  | 25 022 <sup>T</sup>  | 19 684 <sup>†</sup>                                       | 5 338 <sup>T</sup>  | 6 273   | -2 762 <sup>T</sup>  | -4 840  | -1.7   |
| Q2                           | 47 135  | 62 219  | -15 084   | 25 573   | 20 099  | 5 474   | 6 592   | -2 444   | -5 462  | -1.9   |
| Q3<br>Q4                     | 48 207<br>49 406  | 65 643  | -15 404<br>-16 237  | 25 787<br>26 634   | 20 589 21 208   | 5 198   | 3 995<br>9 861  | -2 802<br>-2 932   | -9 013<br>-3 882  | -1.3   |
| 0005 04                      | 40.000  |   | 15 7 10   | 00.040   | 04.000  |   | =   | 0.570  | 0.070   |  |
| 2005 Q1<br>02                | 49 263  | 65 009<br>67 206  | -15 /46<br>-14 747  | 26 212   | 21 068  | 5 144<br>5 000  | 7 498<br>10 952   | -3572  | -6676   | -2.2   |
| Q3                           | 53 256  | 70 242  | -16 986   | 24 098   | 21 202  | 2 867   | 6 928   | -3 024   | -10 215   | -3.4   |
| Monthly                      |   |   |   |  |   |   |   |  |   |  |
| 2003 Jan                     | 16 537  | 20.055  | -3 518  | 7 605  | 6 299   | 1 306   |   |  |   |  |
| Feb                          | 16 460  | 19 594  | -3 134  | 7 762  | 6 335   | 1 427   |   |  |   |  |
| Mar                          | 16 037  | 20 037  | -4 000  | 7 812  | 6 359   | 1 453   |   |  |   |  |
| Apr                          | 16 545  | 19 139  | -2 594  | 7 669  | 6 193   | 1 476   |   |  |   |  |
| May                          | 15 293  | 19 405  | -4 112  | 7 712  | 6 349   | 1 363   |   |  |   |  |
| Jun                          | 14 975  | 19312   | -4 337  | 7701   | 0.512   | 1 309   |   |  |   |  |
| Jul                          | 15 675  | 19 479  | -3 804  | 7 792  | 6 440   | 1 352   |   |  |   |  |
| Aug                          | 15 441  | 19 037  | -3 596  | 7 921  | 6 489   | 1 432   |   |  |   |  |
| Sep                          | 15 186  | 20 086  | -4 900  | 7 922  | 6 453   | 1 469   |   |  |   |  |
| Nov                          | 15 110  | 19 919  | -4 809  | 7 867  | 6 501   | 1 366   |   |  |   |  |
| Dec                          | 15 627  | 20 242  | -4 615  | 8 001  | 6 729   | 1 272   |   |  |   |  |
| 0004 lan                     | 15 050  | 00 007 <sup>†</sup>   | 5 070 <sup>†</sup>  | 0 101  | C 440   | 1 001   |   |  |   |  |
| 2004 Jan<br>Feb              | 15 058  | 20 337  | -5 279  | 8 266  | 6 386   | 1 880   |   |  |   |  |
| Mar                          | 15 849  | 20 055  | -4 206  | 8 226  | 6 305   | 1 921   |   |  |   |  |
| Apr                          | 15 731  | 20 785  | -5 054  | 8 345  | 6 466   | 1 879   |   |  |   |  |
| May                          | 15 518  | 20 517  | -4 999  | 8 301  | 6 510   | 1 791   |   |  |   |  |
| Jun                          | 15 886  | 20 917  | -5 031  | 8 259  | 6 607   | 1 652   |   |  |   |  |
| Jul                          | 15 938  | 21 212  | -5 274  | 8 193  | 6 574   | 1 619   |   |  |   |  |
| Aug                          | 15 881  | 21 109  | -5 228  | 8 294  | 6 639   | 1 655   |   |  |   |  |
| Sep                          | 16 388  | 21 290  | -4 902  | 8 397  | 6 662   | 1 735   |   |  |   |  |
| Oct                          | 16 139  | 21 794  | -5 655  | 8 543  | 6 671   | 1 872   |   |  |   |  |
| Dec                          | 16 497<br>16 770  | 21 796 22 053   | -5 299<br>-5 283  | 8 595  | 6 775   | 1 841   |   |  |   |  |
|                              |   |   |   |  |   |   |   |  |   |  |
| 2005 Jan                     | 16 286  | 21 730  | -5 444  | 8 590<br>8 575   | 6 934   | 1 656   |   |  |   |  |
| Mar                          | 16 786  | 21 400  | -5 295  | 8 462  | 7 011   | 1 395   |   |  |   |  |
| Apr                          | 17 139  | 22 421  | -5 282  | 8 479  | 7 008   | 1 471   |   |  |   |  |
| May                          | 16 999  | 22 102  | -5 103  | 8 638  | 7 120   | 1 518   |   |  |   |  |
| Jun                          | 18 321  | 22 683  | -4 362  | 8 672  | 6 849   | 1 823   |   |  |   |  |
| Jul                          | 17 316  | 22 756  | -5 440  | 8 708 <sup>†</sup>   | 6 935 <sup>†</sup>  | 1 773 <sup>†</sup>  |   |  |   |  |
| Aug                          | 17 806  | 23 752  | -5 946  | 7 334  | 6 877   | 457   |   |  |   |  |
| Sep                          | 18 134  | 23 734  | -5 600  | 8 685  | 6 981   | 1 704   |   |  |   |  |
| Oct                          | 18 501  | 23 053  | -4 552  | 8 736  | 7 065   | 1 671   |   |  |   |  |

1 Using series YBHA: GDP at current market prices

Sources: Office for National Statistics; Enquiries Columns 1-3 020 7533 6064; Columns 4-6 & 8 020 7533 6090; Columns 7, 9 & 10 020 7533 6078.

-4,000

2000

2001







2002

2003

2004

-4,000

2005

# **2.14** Trade in goods (on a balance of payments basis)

|               | •                  |                    | -                  |                           | 2002 = 100                  |
|---------------|--------------------|--------------------|--------------------|---------------------------|-----------------------------|
|               | Volume indic       | es (SA)            |                    | Price indices (NS         | A)                          |
|               | Exports            | Imports            | Exports            | Imports                   | Terms of trade <sup>1</sup> |
| Annual        |                    |                    |                    |                           |                             |
| 2001          | BQKU               | BQKV               | BQKR<br>100.0      | BQKS                      | BQKT<br>97.5                |
| 2001          | 100.0              | 95.9<br>100.0      | 100.0              | 102.6                     | 97.5<br>100.0               |
| 2003          | 99.7               | 102.0              | 101.8              | 99.3                      | 102.5                       |
| 2004          | 101.0 <sup>†</sup> | 108.6 <sup>†</sup> | 102.0 <sup>†</sup> | 98.7 <sup>†</sup>         | 103.3 <sup>†</sup>          |
| Quarterly     |                    |                    |                    |                           |                             |
| 2001 Q1       | 104.2              | 95.9               | 101.6              | 104.7                     | 97.0                        |
| Q2            | 101.8              | 95.8               | 101.8              | 104.6                     | 97.3                        |
| Q3            | 100.9              | 95.4               | 99.3               | 101.7                     | 97.6                        |
| Q4            | 100.0              | 96.4               | 97.4               | 99.5                      | 97.9                        |
| 2002 Q1       | 98.9               | 97.2               | 100.2              | 100.9                     | 99.3                        |
| Q2            | 104.9              | 101.6              | 101.1              | 100.8                     | 100.3                       |
| Q3            | 100.6              | 101.3              | 99.9               | 99.5                      | 100.4                       |
| Q4            | 93.0               | 33.5               | 90.0               | 90.9                      | 55.5                        |
| 2003 Q1       | 103.5              | 102.9              | 101.8              | 99.5                      | 102.3                       |
| Q2<br>03      | 99.0<br>97.6       | 99.7               | 102.2              | 99.2                      | 103.0                       |
| Q3<br>Q4      | 98.9               | 104.4              | 101.1              | 98.8                      | 102.3                       |
| 2004 01       | oo et              | 105.1              | 00.6               | oz ot                     | 100 zt                      |
| 2004 Q1<br>Q2 | 100.5              | 105.1              | 101 2 <sup>†</sup> | 97.0                      | 102.7                       |
| Q3            | 101.7              | 109.3              | 102.8              | 99.6                      | 103.2                       |
| Q4            | 102.4              | 112.0              | 104.5              | 99.9                      | 104.6                       |
| 2005 Q1       | 102.3              | 110.2              | 104.1              | 100.7                     | 103.4                       |
| Q2            | 109.6              | 113.4              | 104.9              | 101.2                     | 103.7                       |
| Q3            | 110.0              | 116.4              | 108.1              | 104.0                     | 103.9                       |
| Monthly       |                    |                    |                    |                           |                             |
| 2003 Jan      | 105.9              | 103.9              | 100.4              | 98.7                      | 101.7                       |
| Feb           | 104.1              | 101.9              | 101.5              | 99.2                      | 102.3                       |
| Mar           | 100.4              | 102.9              | 103.4              | 100.5                     | 102.9                       |
| Apr<br>May    | 104.8              | 98.4               | 102.0              | 99.8                      | 102.2                       |
| Jun           | 95.4               | 100.4              | 101.8              | 98.5                      | 103.4                       |
| Jul           | 99.3               | 100.7              | 101.9              | 99.1                      | 102.8                       |
| Aug           | 97.3               | 98.2               | 102.8              | 99.8                      | 102.0                       |
| Sep           | 96.3               | 103.8              | 102.0              | 99.8                      | 102.2                       |
| Oct           | 100.5              | 104.2              | 101.6              | 99.3                      | 102.3                       |
| Dec           | 96.1               | 103.5              | 100.9              | 98.9<br>98.3              | 102.0                       |
|               |                    |                    |                    |                           |                             |
| 2004 Jan      | 97.0'              | 107.2'             | 99.7               | 97.2                      | 102.6                       |
| Mar           | 102.3              | 105.2              | 100.4              | 96.0<br>97.7 <sup>†</sup> | 102.8<br>102.8 <sup>†</sup> |
| Apr           | 101.0              | 108.6              | 100.9 <sup>†</sup> | 97.8                      | 103.2                       |
| May           | 98.9               | 106.4              | 102.1              | 99.0                      | 103.1                       |
| Jun           | 101.7              | 109.1              | 100.7              | 98.1                      | 102.7                       |
| Jul           | 102.1              | 110.5              | 101.0              | 98.3                      | 102.7                       |
| Aug           | 100.4              | 109.0              | 102.9              | 99.8                      | 103.1                       |
| Sep           | 102.5              | 108.4              | 104.4              | 100.6                     | 103.8                       |
| Nov           | 99.0<br>101 8      | 110.8              | 106.2              | 101.3                     | 104.8                       |
| Dec           | 105.7              | 114.1              | 102.5              | 98.4                      | 104.2                       |
| 2005 Jan      | 101 8              | 111 0              | 103.4              | 100.3                     | 103 1                       |
| Feb           | 101.3              | 108.3              | 103.6              | 100.5                     | 103.1                       |
| Mar           | 103.9              | 111.2              | 105.4              | 101.2                     | 104.2                       |
| Apr           | 106.8              | 113.9              | 104.8              | 100.8                     | 104.0                       |
| Jun           | 106.2              | 112.2              | 105.0              | 101.1                     | 103.9                       |
|               |                    |                    |                    |                           | 100.1                       |
| Jul<br>Aug    | 106.6<br>110 7     | 113.1<br>118.3     | 107.8<br>108.4     | 104.3<br>104 1            | 103.4<br>104 1              |
| Sep           | 112.8              | 117.7              | 108.0              | 103.7                     | 104.1                       |
| Oct           | 114.2              | 114.0              | 108.5              | 104.5                     | 103.8                       |

1 Price index for exports expressed as a percentage of price index for imports.

Source: Office for National Statistics; Enquiries 020 7533 6064



## 2.15 Measures of UK competitiveness in trade in manufactures

|                                      |   |  |   |                            | -   |   |   |  |   |  |  | 1995=100                                     |
|--------------------------------------|---|--|---|----------------------------|---|---|---|--|---|--|--|--|
|                                      |   |  | Sur   | nmary m                    | easures   |   |   |  | Expor   | t unit value                                 | e index <sup>1,6</sup>                       |  |
|                                      | Relative<br>export<br>prices <sup>6</sup>         | Relative<br>wholesale<br>prices <sup>5</sup><br>(1990=100) | IMF i<br>unit<br>Actua                            | ndex of re<br>labour co    | elative<br>osts <sup>6</sup><br>ormalised         | Import price<br>competi-<br>tiveness <sup>2,4</sup> | Relative<br>profit-<br>ability of<br>exports <sup>2,4</sup> | United<br>Kingdom                            | United<br>States                                  | Japan  | France                                       | Germany <sup>3</sup>                         |
| 1997<br>1998<br>1999<br>2000<br>2001 | CTPC<br>111.4<br>111.4<br>114.2<br>118.2<br>117.0 | CTPD<br>114.7<br><br><br>                                  | CTPE<br>130.4<br>141.2<br>141.7<br>147.8<br>143.9 | =<br>4<br>2<br>7<br>3<br>9 | CTPF<br>123.6<br>131.5<br>133.9<br>141.6<br>141.4 | BBKM<br>105.9<br>109.2<br>109.7<br>106.9<br>105.6   | BBKN<br>97.4<br>95.8<br>94.4<br>93.7<br>95.8                | CTPI<br>98.7<br>97.7<br>97.4<br>94.9<br>90.7 | CTPJ<br>101.2<br>101.2<br>101.1<br>102.3<br>102.3 | CTPK<br>83.8<br>78.1<br>82.7<br>86.5<br>78.3 | CTPL<br>86.0<br>86.0<br>81.4<br>71.3<br>69.5 | CTPM<br>80.3<br>80.5<br>76.7<br>66.7<br>64.7 |
| 2002                                 |   |  | -   |                            |   | 109.0   | 96.0  |  |   |  |  |  |
| 2000 Q1<br>Q2<br>Q3<br>Q4            | 119.4<br>118.2<br>116.7<br>117.9                  | <br><br>   | 149.4<br>148.9<br>146.2<br>146.8                  | 1<br>2<br>3                | 142.1<br>141.2<br>140.2<br>142.7                  | 108.7<br>108.6<br>107.0<br>105.4                    | 92.0<br>93.2<br>94.6<br>94.9                                | 99.3<br>95.8<br>93.0<br>91.4                 | 102.1<br>102.5<br>102.6<br>102.3                  | 86.2<br>86.2<br>87.2<br>86.5                 | 76.0<br>72.1<br>70.1<br>67.6                 | 71.5<br>67.5<br>65.4<br>62.8                 |
| 2001 Q1<br>Q2<br>Q3<br>Q4            | 115.5<br>117.4<br>117.6<br>117.7                  | <br><br>   | 142.2<br>144.3<br>144.2<br>144.8                  | 2<br>3<br>2<br>3           | 138.8<br>141.9<br>142.1<br>142.7                  | 105.0<br>104.8<br>107.1<br>108.0                    | 95.3<br>95.5<br>95.6<br>94.8                                | 92.6<br>90.7<br>92.3<br>92.9                 | 102.0<br>101.9<br>101.8<br>101.7                  | 84.4<br>82.4<br>84.2<br>84.2                 | 72.2<br>68.5<br>70.1<br>70.8                 | 66.7<br>63.0<br>64.2<br>64.7                 |
| 2002 Q1<br>Q2<br>Q3<br>Q4            | <br><br>  | <br><br>   |   |                            | <br><br>  | 109.2<br>109.4<br>108.0<br>109.3                    | 95.9<br>96.8<br>95.7<br>94.6                                | <br><br>                                     | <br><br>  | <br><br>                                     | <br><br>                                     | <br><br>                                     |
| 2003 Q1                              |   |  | -   |                            |   | 109.4   | 96.7  |  |   |  |  |  |
| Percentage of                        | change, quarte                                    | r on correspond  | ing quarte  | er of previ                | ious year   |   |   |  |   |  |  |  |
| 2001 Q2<br>Q3<br>Q4                  | -0.7<br>0.8<br>-0.2                               | <br>   | -3.1<br>-1.4<br>-1.4                              | 1<br>4<br>4                | 0.5<br>1.4<br>0.0                                 | -3.5<br>0.1<br>2.5                                  | 2.5<br>1.1<br>–0.1  | -5.3<br>-0.8<br>1.6                          | -0.6<br>-0.8<br>-0.6                              | -4.4<br>-3.4<br>-2.7                         | -5.0<br>0.0<br>4.7                           | -6.7<br>-1.8<br>3.0                          |
| 2002 Q1<br>Q2<br>Q3<br>Q4            | <br><br>  | <br><br>   |   |                            | <br><br>  | 4.0<br>4.4<br>0.8<br>1.2                            | 0.6<br>1.4<br>0.1<br>-0.2                                   | <br><br>                                     | <br><br>  | <br><br>                                     | <br><br>                                     | <br><br>                                     |
| 2003 Q1                              |   |  |   |                            |   | 0.2   | 0.8   |  |   |  |  |  |
|                                      |   | Whole  | sale price  | index <sup>1</sup> (       | 1990=100)   |   |   |  | Unit labou  | r costs inde                                 | ex <sup>1,6</sup>                            |  |
|                                      | Unite<br>Kingdo                                   | ed<br>m United St  | tates   | Japan                      | France  | Germany <sup>3</sup>                                | United<br>Kingdom   | United                                       | States  | Japan  | France                                       | Germany <sup>3</sup>                         |
| 1998<br>1999<br>2000<br>2001         | CTF<br>116<br>115                                 | N C<br>.5 1<br>.1 1<br>                                    | TPO<br>06.8<br>08.4<br>                           | CTPP<br>102.7<br>114.1<br> | CTPQ<br><br><br>                                  | CTPR<br><br><br>                                    | CTPS<br>118.6<br>116.2<br>108.0<br>103.3                    |  | CTPT<br>95.6<br>95.1<br>94.9<br>100.8             | CTPU<br>70.5<br>77.9<br>77.5<br>71.1         | CTPV<br>82.8<br>79.3<br>68.2<br>66.4         | CTPW<br>77.1<br>73.7<br>61.6<br>59.5         |
| 1999 Q4                              | 116   | .8 1   | 09.7  | 123.4                      |   |   | 116.8   |  | 94.6  | 82.2   | 77.1   | 70.5   |
| 2000 Q1<br>Q2<br>Q3<br>Q4            |   | <br><br>   | <br><br>  | <br><br>                   | <br><br>  | <br><br>  | 115.6<br>109.8<br>104.6<br>102.2                            |  | 94.0<br>94.1<br>94.9<br>96.5                      | 81.3<br>78.8<br>76.1<br>74.0                 | 73.1<br>69.0<br>66.8<br>64.3                 | 67.2<br>62.9<br>59.5<br>57.5                 |
| 2001 Q1<br>Q2<br>Q3<br>Q4            |   | <br><br>   | <br><br>  | <br><br>                   | <br><br>  | <br><br>  | 104.3<br>101.6<br>103.2<br>104.2                            |  | 99.2<br>100.8<br>101.4<br>101.7                   | 72.5<br>70.7<br>71.3<br>70.1                 | 68.5<br>64.8<br>66.1<br>66.4                 | 61.5<br>58.0<br>59.1<br>59.5                 |
| Percentage of                        | change, quarte                                    | r on correspond  | ing quarte  | er of previ                | ious year   |   |   |  |   |  |  |  |
| 1999 Q4                              | -0  | .6   | 2.7   | 12.2                       |   |   | -3.6  |  | -1.0  | 5.8  | -12.0  | -15.3  |
| 2000 Q1<br>Q2<br>Q3<br>Q4            |   | <br><br>   | <br><br>  | <br><br>                   |   | <br><br>  | -2.3<br>-5.3<br>-8.3<br>-12.5                               |  | -1.1<br>-1.3<br>-0.7<br>2.0                       | 3.4<br>5.8<br>-0.8<br>-10.0                  | -12.6<br>-12.3<br>-14.4<br>-16.6             | 14.8<br>17.2<br>16.8<br>18.4                 |
| 2001 Q1<br>Q2<br>Q3<br>Q4            |   | <br><br>   | <br><br><br>                                      | <br><br>                   | <br><br>  | <br><br><br>  | -9.8<br>-7.5<br>-1.3<br>2.0                                 |  | 5.5<br>7.1<br>6.8<br>5.4                          | -10.8<br>-10.3<br>-6.3<br>-5.3               | -6.3<br>-6.1<br>-1.0<br>3.3                  | -8.5<br>-7.8<br>-0.7<br>3.5                  |

1 All the indices are based on data expressed in US dollars.

4 These series are on a SIC 92 basis.

2 Excludes erratics (ships, North sea installations, aircraft, precious stones 5 This series is calculated using UK producer prices. All other country indices are

and silver bullion). 3 Includes the former German Democratic Republic as from 1991 Q1.

5 This series is calculated using energy wholesale price indices.
6 Quarterly data have been obtained by interpolating the annuals. Sources: International Monetary Fund; Office for National Statistics; Enquiries 020 7533 5914



### 3.1 Prices

Not seasonally adjusted except series RNPE

|   | Producer price index index <sup>3,4</sup><br>(2000=100) (1996=100) |  |  | Retail pric                                  | es index   | (January 13,                                 | 00)  | Pensioner pr<br>(Januai<br>1987=             | ice index <sup>6</sup><br>y 13,<br>100)            |   |                                  |                                  |   |
|---|--|--|--|--|--|--|--|--|--|---|----------------------------------|----------------------------------|---|
|   | Materials<br>and fuel  | Output:  | A  | ll items                                     | All it   | ems (RPI)                                    | All item<br>mortga<br>payme                        | as excluding<br>age interest<br>ents (RPIX)  | All item<br>mortga<br>paymen<br>taxes              | s excluding<br>age interest<br>ts & indirect<br>a (RPIY) <sup>5</sup> |                                  |                                  | Purchasing  |
|   | by manu-<br>facturing<br>industry<br>(SA) <sup>1,2</sup>           | manufact-<br>ured<br>products:<br>home sales         | Index  | Percentage<br>change on<br>a year<br>earlier                          | 1-person<br>household            | 2-person<br>household            | of the<br>pound <sup>7</sup><br>(NSA)<br>(1985=100) |
| Annual                                      | DNDE   | DUU  | 0.04   |  | 011004   | 0701   | 0.00   | 00/0   | 00714/   | 0071  | 0715                             | 0711                             |   |
| 2001<br>2002<br>2003<br>2004                | 98.8<br>94.4<br>95.7<br>99.5                                       | 99.7<br>99.8<br>101.3<br>103.8                       | 106.9<br>108.3<br>109.8<br>111.2                   | 1.2<br>1.3<br>1.4<br>1.3                     | 173.3<br>176.2<br>181.3<br>186.7                   | С2ВН<br>1.8<br>1.7<br>2.9<br>3.0             | 171.3<br>175.1<br>180.0<br>184.0                   | 2.1<br>2.2<br>2.8<br>2.2                     | 163.7<br>167.5<br>172.0<br>175.5                   | 2.4<br>2.3<br>2.7<br>2.0  | 152.7<br>155.3<br>158.1<br>160.9 | 158.5<br>160.9<br>163.8<br>166.4 | FJAK<br>55<br>54<br>52<br>51                        |
| Quarterly                                   |  |  |  |  |  |  |  |  |  |   |                                  |                                  |   |
| 2001 Q1<br>Q2<br>Q3<br>Q4                   | 100.9<br>101.8<br>98.2<br>94.2                                     | 99.7<br>100.1<br>99.8<br>99.3                        | 105.7<br>107.3<br>107.3<br>107.4                   | 0.9<br>1.5<br>1.5<br>1.0                     | 171.8<br>173.9<br>174.0<br>173.8                   | 2.6<br>1.9<br>1.8<br>1.0                     | 168.9<br>171.8<br>172.1<br>172.4                   | 1.9<br>2.3<br>2.4<br>2.0                     | 161.1<br>164.1<br>164.6<br>165.0                   | 1.6<br>2.6<br>2.8<br>2.4  | 150.6<br>153.3<br>153.0<br>153.9 | 156.5<br>159.3<br>158.9<br>159.3 | 55<br>54<br>54<br>55                                |
| 2002 Q1<br>Q2<br>Q3<br>Q4                   | 94.2<br>95.2<br>94.2<br>93.9                                       | 99.2<br>99.8<br>99.9<br>100.1                        | 107.4<br>108.3<br>108.4<br>109.0                   | 1.5<br>0.9<br>1.1<br>1.6                     | 173.9<br>176.0<br>176.6<br>178.2                   | 1.2<br>1.2<br>1.5<br>2.5                     | 172.9<br>175.0<br>175.5<br>176.9                   | 2.4<br>1.9<br>2.0<br>2.6                     | 165.5<br>167.1<br>167.8<br>169.5                   | 2.7<br>1.8<br>1.9<br>2.7  | 154.7<br>155.3<br>155.0<br>156.1 | 160.1<br>161.0<br>160.7<br>161.7 | 54<br>54<br>54<br>53                                |
| 2003 Q1<br>Q2<br>Q3<br>Q4                   | 95.9<br>94.8<br>95.4<br>96.7                                       | 100.9<br>101.1<br>101.3<br>101.7                     | 109.0<br>109.7<br>109.9<br>110.5                   | 1.5<br>1.3<br>1.4<br>1.3                     | 179.2<br>181.3<br>181.8<br>182.9                   | 3.0<br>3.0<br>2.9<br>2.6                     | 177.9<br>180.1<br>180.5<br>181.5                   | 2.9<br>2.9<br>2.8<br>2.6                     | 170.6<br>171.8<br>172.3<br>173.2                   | 3.1<br>2.8<br>2.7<br>2.2  | 156.7<br>157.9<br>158.3<br>159.4 | 162.6<br>163.7<br>164.0<br>165.0 | 53<br>52<br>52<br>52                                |
| 2004 Q1<br>Q2<br>Q3<br>Q4                   | 95.7<br>98.6<br>100.5<br>103.1r                                    | 102.4<br>103.4<br>104.2<br>105.1                     | 110.4<br>111.2<br>111.2<br>112.0                   | 1.3<br>1.4<br>1.2<br>1.4                     | 183.8<br>186.3<br>187.4<br>189.2                   | 2.6<br>2.8<br>3.1<br>3.4                     | 182.0<br>184.0<br>184.3<br>185.6                   | 2.3<br>2.2<br>2.1<br>2.3                     | 173.8<br>175.4<br>175.6<br>177.1                   | 1.9<br>2.1<br>1.9<br>2.3  | 159.7<br>160.9<br>160.5<br>162.3 | 165.4<br>166.6<br>166.1<br>167.6 | 51<br>51<br>50<br>50                                |
| 2005 Q1<br>Q2<br>Q3                         | 105.8<br>108.4<br>113.3r   | 105.2<br>106.3<br>† 107.4                            | 112.3<br>113.4<br>113.9                            | 1.7<br>1.9<br>2.4                            | 189.7<br>191.9<br>192.6                            | 3.2<br>3.0<br>2.8                            | 186.0<br>188.1<br>188.7                            | 2.2<br>2.2<br>2.4                            | 177.5<br>179.3<br>179.9                            | 2.1<br>2.2<br>2.4   | 163.4<br>164.8<br>165.1          | 168.3<br>169.8<br>170.1          | 50<br>49<br>49                                      |
| Monthly                                     |  |  |  |  |  |  |  |  |  |   |                                  |                                  |   |
| 2004 Jan<br>Feb<br>Mar<br>Apr<br>May<br>Jun | 95.6<br>94.9<br>96.6<br>97.6<br>99.9<br>98.4                       | 102.1<br>102.3<br>102.8<br>103.1<br>103.5<br>103.6   | 110.1<br>110.4<br>110.6<br>111.0<br>111.4<br>111.3 | 1.4<br>1.3<br>1.1<br>1.2<br>1.5<br>1.6       | 183.1<br>183.8<br>184.6<br>185.7<br>186.5<br>186.8 | 2.6<br>2.5<br>2.6<br>2.5<br>2.8<br>3.0       | 181.4<br>182.0<br>182.5<br>183.6<br>184.3<br>184.2 | 2.4<br>2.3<br>2.1<br>2.0<br>2.3<br>2.3       | 173.2<br>173.9<br>174.3<br>174.9<br>175.6<br>175.6 | 2.0<br>1.9<br>1.7<br>1.8<br>2.2<br>2.3                                | <br><br><br>                     | <br><br><br>                     | 52<br>51<br>51<br>51<br>51<br>51                    |
| Jul<br>Aug<br>Sep<br>Oct<br>Nov<br>Dec      | 99.1<br>100.2<br>102.3<br>105.0<br>103.0r<br>101.2                 | 103.8<br>104.2<br>104.5<br>105.2<br>† 105.3<br>104.9 | 111.0<br>111.3<br>111.4<br>111.7<br>111.9<br>112.5 | 1.4<br>1.3<br>1.1<br>1.2<br>1.5<br>1.6       | 186.8<br>187.4<br>188.1<br>188.6<br>189.0<br>189.9 | 3.0<br>3.2<br>3.1<br>3.3<br>3.4<br>3.5       | 183.8<br>184.3<br>184.7<br>185.1<br>185.4<br>186.4 | 2.2<br>2.2<br>1.9<br>2.1<br>2.2<br>2.5       | 175.1<br>175.7<br>176.1<br>176.6<br>176.9<br>177.9 | 2.0<br>2.0<br>1.7<br>2.0<br>2.2<br>2.5                                | <br><br><br>                     | <br><br><br>                     | 51<br>50<br>50<br>50<br>50<br>50                    |
| 2005 Jan<br>Feb<br>Mar<br>Apr<br>May<br>Jun | 105.0<br>105.3<br>107.2<br>107.6<br>107.5<br>110.1                 | 104.8<br>105.1<br>105.8<br>106.5<br>106.3<br>106.2   | 111.9<br>112.2<br>112.7<br>113.1<br>113.5<br>113.5 | 1.6<br>1.6<br>1.9<br>1.9<br>2.0              | 188.9<br>189.6<br>190.5<br>191.6<br>192.0<br>192.2 | 3.2<br>3.2<br>3.2<br>3.2<br>2.9<br>2.9       | 185.2<br>185.9<br>186.8<br>187.8<br>188.2<br>188.3 | 2.1<br>2.1<br>2.4<br>2.3<br>2.1<br>2.2       | 176.7<br>177.4<br>178.3<br>179.0<br>179.4<br>179.5 | 2.0<br>2.0<br>2.3<br>2.3<br>2.2<br>2.2                                | <br><br><br>                     | <br><br><br>                     | 50<br>50<br>50<br>49<br>49<br>49                    |
| Jul<br>Aug<br>Sep<br>Oct<br>Nov             | 113.4r<br>113.4r<br>113.2<br>114.3r<br>115.9r                      | 107.0<br>107.3<br>108.0<br>0 107.9<br>0 107.7        | 113.6<br>114.0<br>114.2<br>0114.3<br>0114.3        | 2.3<br>2.4<br>2.5<br>2.3<br>2.1              | 192.2<br>192.6<br>193.1<br>193.3<br>193.6          | 2.9<br>2.8<br>2.7<br>2.5<br>2.4              | 188.3<br>188.6<br>189.3<br>189.5<br>189.7          | 2.4<br>2.3<br>2.5<br>2.4<br>2.3              | 179.5<br>179.8<br>180.5<br>180.7<br>180.9          | 2.5<br>2.3<br>2.5<br>2.3<br>2.3                                       | <br><br>                         | <br><br>                         | 49<br>49<br>49<br>49<br>49                          |

Note: Figures marked with a 'p' are provisional.

1 Minor revisions have been made to seasonally adjusted figures previously published. These reflect the routine updating of the seasonal adjustment factor. the UK as the harmonised index of consumer prices (HICP). 5 The taxes excluded are council tax, VAT, duties, car purchase tax and vehicle excise duty, insurance tax and airport tax.

4 Prior to 10 December 2003, the consumer prices index (CPI) was published in

2 Data now include the Climate Change Levy introduced in April 2001 and the Aggregates Levy introduced in April 2002.
3 Inflation rates prior to 1997 and index levels prior to 1996 are estimated. Further details are given in *Economic Trends* No.541 December 1998.
6 Pensioner household, based on RPI.
7 Movements in the purchasing power of the pound are based on movements in the retail prices index.

Sources: Office for National Statistics; Enquiries Columns 1-2 01633 812106; Columns 3-13 020 7533 5853.



#### Labour Market Activity<sup>1,2</sup> 4.1 **United Kingdom**

| Thousands. | seasonally | v ad | iusted <sup>3</sup> |
|------------|------------|------|---------------------|
| mousanus,  | seasonali  | y au | Justeu              |

|                                       |                      |                    |                             |  |                     |                    | Total                  |                       | Total               | Employment                   |
|---------------------------------------|----------------------|--------------------|-----------------------------|--|---------------------|--------------------|------------------------|-----------------------|---------------------|------------------------------|
|                                       |                      | Emp                | loyment ca                  | ategories  |                     | Unemployment       | economically<br>active | Economically inactive | aged 16<br>and over | age<br>16-59/64 <sup>4</sup> |
|                                       | Employees            | Self -<br>employed | Unpaid<br>family<br>workers | Government<br>training and<br>employment<br>programmes | Total<br>employment |                    |                        |                       |                     |                              |
| TOTAL                                 |                      |                    | NODT                        | MODIA  |                     |                    | NOOF                   |                       |                     | MOOL                         |
| 2003 Q1                               | MGRN<br>24 452       | MGRQ<br>3 435      | MGR1<br>83                  | MGRW<br>94   | 28 065              | MGSC<br>1 524      | 29 588                 | 17 358                | MGSL<br>46 946      | MGSU<br>74.6                 |
| Q2                                    | 24 456               | 3 555              | 88                          | 93   | 28 191              | 1 463              | 29 654                 | 17 366                | 47 020              | 74.8                         |
| Q3                                    | 24 360               | 3 647              | 108                         | 107  | 28 222              | 1 499              | 29 721                 | 17 377                | 47 098              | 74.6                         |
| Q4                                    | 24 388               | 3 659              | 99                          | 108  | 28 254              | 1 458              | 29 712                 | 17 470                | 47 183              | 74.6                         |
| 2004 Q1                               | 24 550               | 3 628              | 103                         | 116  | 28 398              | 1 432              | 29 830                 | 17 438                | 47 268              | 74.8                         |
| Q2                                    | 24 518               | 3 670              | 98                          | 125  | 28 410              | 1 434              | 29 844                 | 17 509                | 47 352              | 74.7                         |
| Q3                                    | 24 662 <sup>T</sup>  | 3 586 <sup>T</sup> | 91                          | 128  | 28 467 <sup>T</sup> | 1 392              | 29 859 <sup>T</sup>    | 17 585 <sup>T</sup>   | 47 444 <sup>T</sup> | 74.7                         |
| Q4                                    | 24 720               | 3 644              | 97                          | 126  | 28 586              | 1 418              | 30 004                 | 17 546                | 47 550              | 74.9                         |
| 2005 Q1                               | 24 819               | 3 630              | 104                         | 126  | 28 679              | 1 409 <sup>†</sup> | 30 087                 | 17 569                | 47 656              | 74.9                         |
| Q2                                    | 24 860               | 3 621              | 101 <sup>†</sup>            | 116  | 28 698              | 1 435              | 30 132                 | 17 629                | 47 762              | 74.7                         |
| Q3                                    | 24 965               | 3 660              | 93                          | 107  | 28 825              | 1 434              | 30 259                 | 17 605                | 47 863              | 74.9                         |
| Percentage change of 2005q2 to 2005q3 | n quarter<br>0.4     | 1.1                | -7.9                        | -7.8   | 0.4                 | -0.1               | 0.4                    | -0.1                  | 0.2                 |                              |
| Percentage change of 2004q3 to 2005q3 | n year<br>1.2        | 2.1                | 2.2                         | -16.4  | 1.3                 | 3.0                | 1.3                    | 0.1                   | 0.9                 |                              |
| MALE                                  |                      |                    |                             |  |                     |                    |                        |                       |                     |                              |
|                                       | MGRO                 | MGRR               | MGRU                        | MGRX   | MGSA                | MGSD               | MGSG                   | MGSJ                  | MGSM                | MGSV                         |
| 2003 Q1                               | 12 594               | 2 505              | 26                          | 56   | 15 181              | 926                | 16 107                 | 6 586                 | 22 694              | 79.1                         |
| Q2                                    | 12 602               | 2 604              | 32                          | 53   | 15 291              | 886                | 16 177                 | 6 560                 | 22 738              | 79.5                         |
| Q3                                    | 12 512               | 2 672              | 41                          | 61   | 15 285              | 896                | 16 180                 | 6 602                 | 22 783              | 79.3                         |
| Q4                                    | 12 482               | 2 680              | 38                          | 60   | 15 261              | 879                | 16 140                 | 6 691                 | 22 830              | 79.0                         |
| 2004 Q1                               | 12 581               | 2 657              | 42                          | 68   | 15 348              | 841                | 16 190                 | 6 688                 | 22 878              | 79.4                         |
| Q2                                    | 12 544_              | 2 695              | 41                          | 73   | 15 353_             | . 841              | 16 195_                | 6 731                 | 22 926              | 79.2                         |
| Q3                                    | 12 630'              | 2 653              | 35                          | 75   | 15 393'             | 815                | 16 208'                | 6 769                 | 22 977              | 79.3                         |
| Q4                                    | 12 651               | 2 686'             | 37                          | /5   | 15 450              | 834                | 16 284                 | 6 753'                | 23 037              | 79.3                         |
| 2005 Q1                               | 12 709               | 2 668              | 41                          | 70   | 15 488              | 830                | 16 318                 | 6 778                 | 23 096              | 79.3                         |
| Q2                                    | 12 710               | 2 662              | 38                          | 71   | 15 481              | 834                | 16 316                 | 6 839                 | 23 155              | 79.1                         |
| Q3                                    | 12 751               | 2 678              | 34                          | 63   | 15 526              | 849                | 16 376                 | 6 837                 | 23 213              | 79.1                         |
| Percentage change of                  | n quarter            | 0.6                | -10.5                       | -113   | 03                  | 1.8                | 0.4                    | 0.0                   | 03                  |                              |
| 200092 10 200090                      | 0.0                  | 0.0                | 10.0                        | 11.0   | 0.0                 | 1.0                | 0.4                    | 0.0                   | 0.0                 |                              |
| Percentage change of 2004q3 to 2005q3 | <b>n year</b><br>1.0 | 0.9                | -2.9                        | -16.0  | 0.9                 | 4.2                | 1.0                    | 1.0                   | 1.0                 |                              |
| FEMALE                                |                      |                    |                             |  |                     |                    |                        |                       |                     |                              |
|                                       | MGRP                 | MGRS               | MGRV                        | MGRY   | MGSB                | MGSE               | MGSH                   | MGSK                  | MGSN                | MGSW                         |
| 2003 Q1                               | 11 858               | 930                | 57                          | 38   | 12 883              | 598                | 13 481                 | 10 771                | 24 252              | 69.7                         |
| Q2<br>03                              | 11 853               | 951                | 56<br>67                    | 40   | 12 900              | 578                | 13 477                 | 10 805                | 24 283              | 69.7<br>69.7                 |
| Q4                                    | 11 906               | 979                | 61                          | 40   | 12 993              | 579                | 13 572                 | 10 780                | 24 313              | 69.8                         |
| 2004 01                               | 11.060               | 071                | 61                          | 10   | 12 040              | 501                | 12 640                 | 10 740                | 24 200              | 70.0                         |
| Q2                                    | 11 974               | 975                | 57                          | 52   | 13 043              | 592                | 13 649                 | 10 749                | 24 427              | 69.8                         |
| Q3                                    | 12 033               | 933                | 55                          | 53   | 13 074 <sup>†</sup> | 577                | 13 651 <sup>†</sup>    | 10 816 <sup>†</sup>   | 24 467              | 69.9                         |
| Q4                                    | 12 068               | 959 <sup>†</sup>   | 59                          | 50   | 13 136              | 584                | 13 721                 | 10 793                | 24 514 <sup>†</sup> | 70.1                         |
| 2005 Q1                               | 12 110               | 962                | 63                          | 55   | 13 191              | 579†               | 13 769                 | 10 791                | 24 560              | 70 1                         |
| Q2                                    | 12 150               | 959                | 63                          | 44   | 13 216              | 600                | 13 817                 | 10 790                | 24 606              | 70.1                         |
| Q3                                    | 12 214               | 982                | 59                          | 44   | 13 299              | 584                | 13 883                 | 10 768                | 24 651              | 70.4                         |
| Doroontago change -                   |                      |                    |                             |  |                     |                    |                        |                       |                     |                              |
| 2005q2 to 2005q3                      | 0.5                  | 2.4                | -6.3                        | 0.0  | 0.6                 | -2.7               | 0.5                    | -0.2                  | 0.2                 |                              |
| Percentage change o                   | n year               |                    |                             |  |                     |                    |                        |                       |                     |                              |
| 2004q3 to 2005q3                      | 1.5                  | 5.3                | 7.3                         | -17.0  | 1.7                 | 1.2                | 1.7                    | -0.4                  | 0.8                 |                              |

 The data in this table have been adjusted to reflect the latest revisions to mid-year population data.
 Data are from the Labour Force Survey which uses the definitions recom-mended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour Market Statistics* References Releases.

3 Seasonally adjusted estimates are revised in September each year.
4 The employment rate equals those in employment aged 16-64 (male) and 16-59 (female), as a percentage of all in these age groups. The underlying data are available on request. Source: Office for National Statistics; Enquiries 020 7533 6094

Thousands, not seasonally adjusted

Employment

### Labour Market Activity<sup>1,2</sup> United Kingdom 4.2

|                                    |                     |                    |                             |  |                     |                    | Total               |                     | Total               | rate.                 |
|------------------------------------|---------------------|--------------------|-----------------------------|--|---------------------|--------------------|---------------------|---------------------|---------------------|-----------------------|
|                                    |                     |                    |                             |  |                     |                    | economically        | Economically        | aged 16             | age                   |
|                                    |                     | Emp                | oloyment ca                 | ategories  |                     | Unemployment       | active              | inactive            | and over            | 16-59/64 <sup>3</sup> |
|                                    | Employees           | Self -<br>employed | Unpaid<br>family<br>workers | Government<br>training and<br>employment<br>programmes | Total<br>employment |                    |                     |                     |                     |                       |
| TOTAL                              |                     |                    |                             |  |                     |                    |                     |                     |                     |                       |
|                                    | MGTA                | MGTD               | MGTG                        | MGTJ   | MGTM                | MGTP               | MGTS                | MGTV                | MGSL                | MGUH                  |
| 2003 Q1                            | 24 363              | 3 426              | 83                          | 99   | 27 971              | 1 525              | 29 497              | 17 450              | 46 946              | 74.3                  |
| Q2                                 | 24 412              | 3 545              | 86                          | 91   | 28 134              | 1 416              | 29 550              | 17 470              | 47 020              | 74.6                  |
| Q3                                 | 24 441              | 3 670              | 110                         | 101  | 28 321              | 1 572              | 29 892              | 17 202              | 47 098              | 74.9                  |
| Q4                                 | 24 433              | 3 660              | 100                         | 110  | 28 303              | 1 422              | 29 724              | 17 445              | 47 183              | /4./                  |
| 2004 Q1                            | 24 463              | 3 615              | 104                         | 121  | 28 302              | 1 429              | 29 731              | 17 513              | 47 268              | 74.6                  |
| Q2                                 | 24 454              | 3 659              | 96                          | 121  | 28 330              | 1 387              | 29 717              | 17 601              | 47 352              | 74.5                  |
| Q3                                 | 24 741 <sup>T</sup> | 3 607 <sup>T</sup> | 91                          | 123_   | 28 562 <sup>T</sup> | 1 466 <sup>T</sup> | 30 029 <sup>†</sup> | 17 416 <sup>T</sup> | 47 444 <sup>T</sup> | 75.0                  |
| Q4                                 | 24 768              | 3 649              | 97                          | 1281   | 28 642              | 1 383              | 30 025              | 17 525              | 47 550              | 75.0                  |
| 2005 Q1                            | 24 752              | 3 616              | 106 <sup>†</sup>            | 130  | 28 604              | 1 405              | 30 009              | 17 647              | 47 656              | 74.6 <sup>†</sup>     |
| Q2                                 | 24 809              | 3 613              | 98                          | 112  | 28 633              | 1 392              | 30 025              | 17 737              | 47 762              | 74.5                  |
| Q3                                 | 25 041              | 3 686              | 92                          | 102  | 28 920              | 1 509              | 30 429              | 17 434              | 47 863              | 75.2                  |
| Percentage change 2004q3 to 2005q3 | on year<br>1.2      | 2.2                | 1.1                         | -17.1  | 1.3                 | 2.9                | 1.3                 | 0.1                 | 0.9                 |                       |
| MALE                               |                     |                    |                             |  |                     |                    |                     |                     |                     |                       |
|                                    | MGTB                | MGTE               | MGTH                        | MGTK   | MGTN                | MGTQ               | MGTT                | MGTW                | MGSM                | MGUI                  |
| 2003 Q1                            | 12 521              | 2 499              | 27                          | 59   | 15 107              | 938                | 16 045              | 6 649               | 22 694              | /8./                  |
| 02                                 | 12 5/0              | 2 594              | 31                          | 52   | 15 253              | 804                | 16 110              | 6 490               | 22 7 38             | 79.3                  |
| Q4                                 | 12 502              | 2 689              | 38                          | 62   | 15 291              | 855                | 16 146              | 6 679               | 22 830              | 79.2                  |
| 2004 Q1                            | 12 511              | 2 647              | 44                          | 70   | 15 273              | 851                | 16 124              | 6 745               | 22 878              | 79 0                  |
| Q2                                 | 12 510              | 2 684              | 40                          | 71   | 15 305              | 819                | 16 124              | 6 789               | 22 926              | 79.0                  |
| Q3                                 | 12 704 <sup>†</sup> | 2 667              | 35                          | 73   | 15 478 <sup>†</sup> | 842 <sup>†</sup>   | 16 320 <sup>†</sup> | 6 657               | 22 977 <sup>†</sup> | 79.7                  |
| Q4                                 | 12 672              | 2 697              | 37                          | 77   | 15 483              | 811                | 16 294              | 6 742               | 23 037              | 79.5                  |
| 2005 Q1                            | 12 650              | 2 656              | 43.                         | 72.  | 15 422              | 839                | 16 261              | 6 835               | 23 096              | 78.9 <sup>†</sup>     |
| Q2                                 | 12 680              | 2 654              | 37 <sup>†</sup>             | 70 <sup>†</sup>  | 15 440              | 814                | 16 254              | 6 901               | 23 155              | 78.8                  |
| Q3                                 | 12 822              | 2 695              | 33                          | 61   | 15 610              | 878                | 16 488              | 6 724               | 23 213              | 79.5                  |
| Percentage change                  | on year             |                    |                             |  |                     |                    |                     |                     |                     |                       |
| 2004q3 to 2005q3                   | 0.9                 | 1.0                | -5.7                        | -16.4  | 0.9                 | 4.3                | 1.0                 | 1.0                 | 1.0                 |                       |
| FEMALE                             | мото                | MOTE               | MOTI                        | MOTI   | мото                | MOTO               | MOTH                | MOTY                | MOON                | MOLLI                 |
| 2002 01                            |                     |                    | IVIG I I                    | MGIL   |                     |                    | MG I U              |                     |                     | MGUJ                  |
| 2003 Q1                            | 11 043              | 927                | 55                          | 40   | 12 000              | 567                | 10 402              | 10 001              | 24 202              | 69.6                  |
| 03                                 | 11 854              | 952                | 69                          | 43   | 12 001              | 650                | 13 434              | 10 049              | 24 203              | 69.0                  |
| Q4                                 | 11 930              | 971                | 62                          | 48   | 13 011              | 567                | 13 578              | 10 766              | 24 352              | 70.0                  |
| 2004 Q1                            | 11 952              | 967                | 60                          | 51   | 13 029              | 578                | 13 608              | 10 767              | 24 390              | 69.9                  |
| Q2                                 | 11 945              | 975                | 56                          | 50   | 13 025              | 568                | 13 593              | 10 812              | 24 427              | 69.7                  |
| Q3                                 | 12 037              | 941 <sup>†</sup>   | 56                          | 50   | 13 084              | 624 <sup>†</sup>   | 13 708 <sup>†</sup> | 10 759              | 24 467              | 70.0                  |
| Q4                                 | 12 096              | 952                | 60                          | 51   | 13 159              | 571                | 13 730              | 10 783              | 24 514 <sup>†</sup> | 70.2                  |
| 2005 Q1                            | 12 102              | 960                | 62                          | 58   | 13 183              | 565                | 13 748              | 10 812              | 24 560              | 70.0 <sup>†</sup>     |
| Q2                                 | 12 129              | 960                | 62                          | 42   | 13 193              | 578                | 13 771              | 10 835              | 24 606              | 69.9                  |
| Q3                                 | 12 219              | 991                | 59                          | 41   | 13 310              | 631                | 13 941              | 10 710              | 24 651              | 70.5                  |
| Percentage change 2004q3 to 2005q3 | on year<br>1.5      | 5.3                | 5.4                         | -18.0  | 1.7                 | 1.1                | 1.7                 | -0.5                | 0.8                 |                       |
|                                    |                     |                    |                             |  |                     |                    |                     |                     |                     |                       |

The data in this table have been adjusted to reflect the latest revisions to mid-year population data.
 Data are from the Labour Force Survey which uses the definitions recom The employment rate equals those in employment aged 16-64 (male) and 16-59 (female), as a percentage of all in these age groups. The underlying data are available on request.

and a minimum table in the base of adjusted to reflect the latest revisions to mid-year population data.
Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour Market Statistics* Releases.

Source: Office for National Statistics; Enquiries 020 7533 6094



-1.5

2005

2004



-1.5

2000

2001

2002

2003









#### Labour Market Activity by age<sup>1,2</sup> 4.3 United Kingdom

Thousands, seasonally adjusted<sup>3</sup>

|                | Total            | aged 16 and        | over             |                             |                    | Age groups <sup>4</sup> |        |            |                    |         |                  |
|----------------|------------------|--------------------|------------------|-----------------------------|--------------------|-------------------------|--------|------------|--------------------|---------|------------------|
|                |                  |                    |                  | 16                          | - 24               | 25                      | - 49   | 50 -       | 59/64              | 60/65 a | ind over         |
|                | Total            | Male               | Female           | Male                        | Female             | Male                    | Female | Male       | Female             | Male    | Female           |
| In employment  |                  |                    |                  |                             |                    |                         |        |            |                    |         |                  |
|                | MGRZ             | MGSA               | MGSB             | MGUR                        | MGUS               | MGUU                    | MGUV   | MGUX       | MGUY               | MGVA    | MGVB             |
| 2003 Q3        | 28 222           | 15 285             | 12 937           | 2 118                       | 1 945              | 9 145                   | 7 800  | 3 687      | 2 561              | 335     | 631              |
| Q4             | 28 254           | 15 261             | 12 993           | 2 124                       | 1 983              | 9 1 1 3                 | 7 833  | 3 691      | 2 535              | 332     | 643              |
| 2004 01        | 28 398           | 15 348             | 13 049           | 2 151                       | 2 011              | 9 149                   | 7 828  | 3 714      | 2 558              | 334     | 651              |
| 02             | 28 / 10          | 15 353             | 13 057           | 2 166                       | 1 078              | 0 1 2 7                 | 7 856  | 3 701      | 2 554              | 340     | 669              |
| 03             | 28 467           | 15 303             | 13 05/           | 2 100                       | 1 970              | 9 127                   | 7 870  | 3 726      | 2 554              | 340     | 653              |
| Q3<br>Q4       | 28 586           | 15 450             | 13 136           | 2 157<br>2 156 <sup>†</sup> | 1 994 <sup>†</sup> | 9 189                   | 7 889  | 3 759      | 2 588 <sup>†</sup> | 345     | 666              |
| <u> </u>       | 20 000           | 10 100             | 10 100           | 2.00                        | 1.001              | 0.00                    |        | 0.00       | 2000               | 0.0     |                  |
| 2005 Q1        | 28 679           | 15 488             | 13 191           | 2 171                       | 1 986              | 9 189                   | 7 927  | 3 773      | 2 586              | 356_    | 692 <sup>T</sup> |
| Q2             | 28 698           | 15 481             | 13 216           | 2 158                       | 1 979              | 9 195                   | 7 943  | 3 774      | 2 592              | 354     | 703              |
| Q3             | 28 825           | 15 526             | 13 299           | 2 148                       | 1 973              | 9 215                   | 8 010  | 3 800      | 2 610              | 363     | 707              |
| Unemployed     |                  |                    |                  |                             |                    |                         |        |            |                    |         |                  |
| onemployed     | MGSC             | MGSD               | MGSE             | MGVG                        | MGVH               | MGVJ                    | MGVK   | MGVM       | MGVN               | MGVP    | MGVQ             |
| 2003 Q3        | 1 499            | 896                | 603              | 342                         | 238                | 404                     | 288    | 141        | 71                 |         |                  |
| Q4             | 1 458            | 879                | 579              | 331                         | 221                | 399                     | 284    | 139        | 65                 | 10      |                  |
| -              |                  |                    |                  |                             |                    |                         |        |            |                    |         |                  |
| 2004 Q1        | 1 432            | 841                | 591              | 329                         | 233                | 370                     | 285    | 133        | 64                 | 10      |                  |
| Q2             | 1 434            | 841                | 592              | 328                         | 246                | 368                     | 281    | 136        | 56                 |         |                  |
| Q3             | 1 392            | 815                | 577              | 342                         | 248                | 332 <sup>T</sup>        | 262    | 133        | 59                 |         |                  |
| Q4             | 1 418            | 834                | 584              | 350                         | 248                | 343                     | 269    | 131        | 60                 | 11      |                  |
| 2005 01        | 1 400            | 820                | 570 <sup>†</sup> | 041                         | 001                | 246                     | 079    | 104        | 60                 |         |                  |
| 2005 Q1        | 1 409            | 830                | 579.             | 341                         | 231                | 340                     | 278    | 134        | 60                 |         |                  |
| 03             | 1 433            | 849                | 584              | 370                         | 249                | 336                     | 270    | 123        | 63                 | 10      | 14               |
| QU             | 1 404            | 045                | 504              | 0/0                         | 201                | 000                     | 210    | 100        | 00                 | 10      | 17               |
| Economically i | nactive          |                    |                  |                             |                    |                         |        |            |                    |         |                  |
| -              | MGSI             | MGSJ               | MGSK             | MGVV                        | MGVW               | MGVY                    | MGVZ   | MGWB       | MGWC               | MGWE    | MGWF             |
| 2003 Q3        | 17 377           | 6 602              | 10 775           | 905                         | 1 124              | 792                     | 2 471  | 1 316      | 1 171              | 3 589   | 6 009            |
| Q4             | 17 470           | 6 691              | 10 780           | 932                         | 1 119              | 832                     | 2 446  | 1 325      | 1 206              | 3 602   | 6 008            |
| 2004 01        | 17 / 20          | 6 699              | 10 740           | 020                         | 1 005              | 907                     | 2 452  | 1 210      | 1 100              | 2 614   | 6.014            |
| 2004 Q1        | 17 430           | 6 731              | 10 749           | 929                         | 1 1 2 2            | 853                     | 2 400  | 1 3 20     | 1 203              | 3 622   | 6 0 1 4          |
| 03             | 17 509           | 6 769              | 10 816           | 930                         | 1 132              | 864                     | 2 432  | 1 3 1 8    | 1 107              | 3 637   | 6 0/1            |
| Q3<br>Q4       | 17 546           | 6 753 <sup>†</sup> | 10 793           | 960                         | 1 142              | 842                     | 2 434  | 1 310      | 1 171              | 3 641   | 6 046            |
|                |                  |                    |                  |                             |                    |                         |        |            |                    |         |                  |
| 2005 Q1        | 17 569           | 6 778              | 10 791           | 971 <sup>†</sup>            | 1 180              | 856                     | 2 401  | 1 306      | 1 176_             | 3 645   | 6 034            |
| Q2             | 17 629           | 6 839              | 10 790           | 979                         | 1 182              | 871                     | 2 400  | 1 327      | 1 168 <sup>T</sup> | 3 661   | 6 040            |
| Q3             | 17 605           | 6 837              | 10 768           | 997                         | 1 211              | 872                     | 2 354  | 1 305      | 1 154              | 3 663   | 6 049            |
| Economic activ | vitu rato (por o | ont) 5             |                  |                             |                    |                         |        |            |                    |         |                  |
| Economic activ | MGWG             | MGWH               | MGWI             | MGWK                        | MGWI               | MGWN                    | MGWO   | MGWO       | MGWB               | MGWT    | MGWU             |
| 2003 Q3        | 63.1             | 71.0               | 55.7             | 73.1                        | 66.0               | 92.3                    | 76.6   | 74.4       | 69.2               | 87      | 96               |
| Q4             | 63.0             | 70.7               | 55.7             | 72.5                        | 66.3               | 92.0                    | 76.8   | 74.3       | 68.3               | 8.7     | 9.8              |
|                |                  |                    |                  |                             |                    |                         |        |            |                    |         |                  |
| 2004 Q1        | 63.1             | 70.8               | 55.9             | 72.7                        | 67.2               | 92.0                    | 76.8   | 74.5       | 68.8               | 8.7     | 9.9              |
| Q2             | 63.0             | 70.6               | 55.9             | 72.7                        | 66.3               | 91.8                    | 77.0   | 74.5       | 68.4               | 8.8     | 10.1             |
| Q3             | 62.9             | 70.5               | 55.8             | 72.5                        | 66.3               | 91.7                    | 76.9   | 74.6       | 68.6               | 8.7     | 9.9              |
| Q4             | 63.1             | 70.7               | 56.0             | 72.3                        | 66.2               | 91.9                    | 77.0   | 74.8       | 69.3               | 8.9     | 10.0             |
| 2005 01        | 63.1             | 70.7               | 56 1             | 72.1                        | 65 27              | 01.8                    | 77 /   | 74.9       | 69.2               | 0.1     | 10.4             |
| 02             | 63.1             | 70.7               | 56.2             | 72.1                        | 65.3               | 91.6                    | 77.4   | 74.5       | 69.4               | 9.1     | 10.4             |
| Q3             | 63.2             | 70.5               | 56.3             | 71.6                        | 64.6               | 91.6                    | 77.9   | 75.1       | 69.8               | 9.2     | 10.6             |
|                |                  |                    |                  |                             |                    |                         |        |            |                    |         |                  |
| Unemployment   | t rate (per cent | i) <sup>6</sup>    |                  |                             |                    |                         |        |            |                    |         |                  |
| 0000 00        | MGSX             | MGSY               | MGSZ             | MGWZ                        | MGXA               | MGXC                    | MGXD   | MGXF       | MGXG               | MGXI    | MGXJ             |
| 2003 Q3        | 5.0              | 5.5                | 4.5              | 13.9                        | 10.9               | 4.2                     | 3.0    | 3.7        | 2.7                | 2.0     |                  |
| Q4             | 4.9              | 5.4                | 4.3              | 13.5                        | 10.0               | 4.2                     | 3.5    | 3.0        | 2.5                | 3.0     |                  |
| 2004 Q1        | 4.8              | 5.2                | 4.3              | 13.3                        | 10.4               | 3.9                     | 3.5    | 3.5        | 2.4                | 2.8     |                  |
| Q2             | 4.8              | 5.2                | 4.3              | 13.2                        | 11.1               | 3.9                     | 3.5    | 3.5        | 2.2                |         |                  |
| Q3             | 4.7              | 5.0                | 4.2              | 13.7                        | 11.1               | 3.5                     | 3.2    | 3.4        | 2.2                |         |                  |
| Q4             | 4.7              | 5.1                | 4.3              | 14.0                        | 11.1               | 3.6                     | 3.3    | 3.4        | 2.3                | 3.0     |                  |
|                |                  |                    |                  |                             |                    |                         | - ·    | <b>.</b> . |                    |         |                  |
| 2005 Q1        | 4.7              | 5.1                | 4.2              | 13.6                        | 10.4               | 3.6                     | 3.4    | 3.4        | 2.3                |         |                  |
| Q2             | 4.8              | 5.1                | 4.3              | 14.4                        | 11.2               | 3.6                     | 3.4    | 3.2        | 2.4                |         | 1.3              |
| 43             | 4./              | 5.∠                | 4.2              | 14.7                        | 10.7               | 3.5                     | ۵.۵    | 3.4        | 2.4                | 2.1     | 1.9              |

1 The data in this table have been adjusted to reflect the latest revisions to

3 Seasonally adjusted estimates are revised in September each year.4 Data for more detailed are groups are publiched in the

Data for more detailed age groups are published in Labour Market Trends. 5 The activity rate is the percentage of people in each age group who are economically active.

and year population data.2 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the Guide to Labour Market Statistics Releases.

6 Unemployment rate is the percentage of economically active people who are unemployed on the ILO measure. Source: Office for National Statistics; Enquiries 020 7533 6094

Thousands

## **4 4** Jobs and claimant count

United Kingdom

|           |                                 |                     | Jobs <sup>1</sup>         |                        | Claimant count <sup>5,6,8</sup> |                    |                                      |                        |   |
|-----------|---------------------------------|---------------------|---------------------------|------------------------|---------------------------------|--------------------|--------------------------------------|------------------------|---|
|           |                                 |                     | Employee jo               | bs <sup>3,4</sup>      |                                 |                    | Percentage of<br>workforce           | Total<br>Not           | Vacancies:<br>average for<br>three months |
|           | Workforce jobs <sup>2,3,4</sup> | All industries      | Manufacturing<br>industry | Production<br>industry | Service<br>industries           | Total              | jobs and claimant count <sup>7</sup> | seasonally<br>adjusted | ending in month shown <sup>9</sup>        |
| Annual    | DVDO                            | DOAL                |                           |                        |                                 |                    |                                      | 0.0                    |   |
| 2002      | 20 085                          | 26 107              | Y EJA<br>3 500            | 1 EJF                  | 20 904 <sup>†</sup>             | BCJD               | BUJE                                 | BCJA<br>958.8          | AP21                                      |
| 2002      | 30 283                          | 26 175              | 3 411 <sup>†</sup>        | 3 598                  | 21 202                          | 933.3              | 30                                   | 945.9                  |   |
| 2004      | 30 572                          | 26 381              | 3 255                     | 3 424                  | 21 557                          | 853.6              | 2.7                                  | 866.1                  |   |
| 2005      | 30 810                          | 26 650              | 3 132                     | 3 293                  | 21 916                          |                    |                                      |                        |   |
| Quarterly |                                 |                     |                           |                        |                                 |                    |                                      |                        |   |
| 2002 Q1   | 29 974 <sup>†</sup>             | 26 154 <sup>†</sup> | 3 647 <sup>†</sup>        | 3 852 <sup>†</sup>     | 20 863 <sup>†</sup>             | 952.5              | 3.1                                  | 1 014.6                |   |
| Q2        | 29 985                          | 26 107              | 3 599                     | 3 800                  | 20 904                          | 950.6              | 3.1                                  | 958.1                  |   |
| Q3        | 30 029                          | 26 103              | 3 554                     | 3 749                  | 20 975                          | 946.5              | 3.1                                  | 951.8                  |   |
| Q4        | 30 122                          | 26 182              | 3 513                     | 3 703                  | 21 108                          | 937.0              | 3.0                                  | 910.6                  |   |
| 2003 Q1   | 30 168                          | 26 133              | 3 465                     | 3 652                  | 21 115                          | 939.0              | 3.0                                  | 1 001.1                |   |
| Q2        | 30 283                          | 26 175              | 3 411                     | 3 598                  | 21 202                          | 945.3              | 3.0                                  | 954.3                  |   |
| Q3        | 30 384                          | 26 172              | 3 365                     | 3 546                  | 21 232                          | 934.6              | 3.0                                  | 939.0                  |   |
| Q4        | 30 489                          | 26 284              | 3 325                     | 3 500                  | 21 397                          | 914.2              | 2.9                                  | 889.2                  |   |
| 2004 Q1   | 30 524                          | 26 334              | 3 284                     | 3 458                  | 21 480                          | 885.8              | 2.8                                  | 947.2                  |   |
| Q2        | 30 572                          | 26 381              | 3 255                     | 3 424                  | 21 557                          | 861.3              | 2.8                                  | 871.8                  |   |
| Q3        | 30 558                          | 26 396              | 3 217                     | 3 381                  | 21 614                          | 836.3              | 2.7                                  | 839.0                  |   |
| Q4        | 30 747                          | 26 569              | 3 187                     | 3 346                  | 21 770                          | 831.1              | 2.7                                  | 806.7                  |   |
| 2005 Q1   | 30 832                          | 26 663              | 3 168                     | 3 328                  | 21 866                          | 820.9              | 2.6                                  | 879.8                  |   |
| Q2        | 30 810                          | 26 650              | 3 132                     | 3 293                  | 21 916                          | 853.8              | 2.8                                  | 865.9                  |   |
| Q3        | 30 819                          | 26 642              | 3 106                     | 3 267                  | 21 915                          | 870.0              | 2.8                                  | 874.4                  |   |
| Monthly   |                                 |                     |                           |                        |                                 |                    |                                      |                        |   |
| 2004 Jan  |                                 |                     | 3 308 <sup>†</sup>        | 3 484 <sup>†</sup>     |                                 | 893.2              | 2.9                                  | 952.4                  | 608.3                                     |
| Feb       |                                 | +                   | 3 297                     | 3 472                  | ··+                             | 884.2              | 2.8                                  | 957.0                  | 611.2                                     |
| Mar       |                                 | 26 334 '            | 3 284                     | 3 458                  | 21 480'                         | 879.9              | 2.8                                  | 932.0                  | 616.4                                     |
| Apr       |                                 |                     | 3 272                     | 3 444                  |                                 | 871.5              | 2.8                                  | 905.2                  | 623.3                                     |
| Iviay     |                                 | 26 381              | 3 263                     | 3 434                  |                                 | 860.9              | 2.8                                  | 869.7                  | 628.4                                     |
| Jun       |                                 | 20 301              | 5 2 3 5                   | 5424                   | 21 337                          | 001.0              | 2.7                                  | 040.5                  | 032.0                                     |
| Jul       |                                 |                     | 3 246                     | 3 412                  |                                 | 838.2              | 2.7                                  | 841.5                  | 646.5                                     |
| Aug       |                                 |                     | 3 232                     | 3 398                  |                                 | 834.8              | 2.7                                  | 847.6                  | 647.2                                     |
| Sep       |                                 | 26 396              | 3217                      | 3 381                  | 21614                           | 830.0              | 2.7                                  | 827.8                  | 643.2                                     |
| Nov       |                                 |                     | 3 194                     | 3 356                  |                                 | 831.9              | 2.7                                  | 803.0                  | 641 7 <sup>†</sup>                        |
| Dec       |                                 | 26 569              | 3 187                     | 3 346                  | 21 770                          | 825.0              | 2.6                                  | 810.2                  | 648.0                                     |
| 2005 Jan  |                                 |                     | 3 182                     | 3 343                  |                                 | 813.8              | 26                                   | 872 1                  | 655.0                                     |
| Feb       |                                 |                     | 3 174                     | 3 334                  |                                 | 817.7              | 2.6                                  | 885.0                  | 647.4                                     |
| Mar       |                                 | 26 663              | 3 168                     | 3 328                  | 21 866                          | 831.3              | 2.7                                  | 882.3                  | 636.9                                     |
| Apr       |                                 |                     | 3 160                     | 3 319                  |                                 | 842.1              | 2.7                                  | 871.8                  | 632.9                                     |
| May       |                                 |                     | 3 145                     | 3 304                  |                                 | 856.1              | 2.7                                  | 867.6                  | 639.1                                     |
| Jun       |                                 | 26 650              | 3 132                     | 3 293                  | 21 916                          | 863.2              | 2.8                                  | 858.2                  | 640.9                                     |
| Jul       |                                 |                     | 3 118                     | 3 279                  |                                 | 864.6              | 2.8                                  | 871.0                  | 635.8                                     |
| Aug       |                                 |                     | 3 109                     | 3270                   |                                 | 867.3              | 2.8                                  | 880.7                  | 625.4                                     |
| Sep       |                                 | 20 042              | 3 106                     | 3 201                  | 21 915                          | 891 5 <sup>†</sup> | 2.8<br>2 at                          | 8/1.5<br>864 8         | 010.2<br>603.2                            |
| Nov       |                                 |                     | 0.094                     | 0200                   |                                 | 902.0              | 2.9                                  | 875.3                  | 600.2                                     |
|           | ••                              |                     |                           |                        |                                 |                    | 2.0                                  | 0.0.0                  | 000.E                                     |

1 Estimates of employee jobs and workforce jobs for Great Britain now use the Annual Business Inquiry as a benchmark on which quarterly movements are based. For further information see Labour Market Statistics First Release, April 2001 which is held on the National Statistics website www.statistics.gov.uk The Northern Ireland component of workforce jobs and employee jobs has not changed.

2 Workforce jobs comprise employee jobs, self-employed jobs, HM Forces and participants in work-related government supported training, which includes the Project Work Plan.

3 For all dates, individuals with two jobs as employees of different employers are counted twice.

4 Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December. For claimant count, unlike employment and workforce figures, the annual figure is an annual average.
5 Unadjusted claimant count figures have been affected by changes in the

5 Unadjusted claimant count figures have been affected by changes in the coverage. The seasonally adjusted figures however, as given in this table are estimated on the current basis, allowing for the discontinuities, except for the effect of the Jobseeker's Allowance introduced in October 1996 (see also below).

The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See pages 398-400 of November 1995 *Labour Market Trends.*)

 6 Claimant court figures do not include students claiming benefit during a vacation who intend to return to full-time education.

7 The denominator used to calculate claimant count unemployment rates is comprised of the workforce jobs plus the claimant count.

8 Quarterly and annual values are now the mean of the monthly and quarterly data respectively.

9 The ONS Vacancy Survey, a monthly business survey of the number of job vacancies held by employers across the UK economy, has been running since April 2001. The results were adopted as National Statistics in June 2003.

Sources: Office for National Statistics; Enquiries Columns 1-5 01633 812079; Columns 6-9 020 7533 6094; also 24 hour recorded headline service on 020 7533 6176



Percentages

## **4.5** Regional claimant count rates<sup>1,2</sup> by Government Office Region

|            |            |                         | Yorkshire<br>and the | East     | West             |                  |                     |                   |
|------------|------------|-------------------------|----------------------|----------|------------------|------------------|---------------------|-------------------|
|            | North East | North West <sup>o</sup> | Humber               | Midlands | Midlands         | East             | London              | South East        |
| Quarterly  |            |                         |                      |          |                  |                  |                     |                   |
|            | DPDM       | IBWC                    | DPBI                 | DPBJ     | DPBN             | DPDP             | DPDQ                | DPDR              |
| 2000 Q1    | 6.6        | 4.4                     | 4.6                  | 3.5      | 4.1              | 2.6              | 4.0                 | 2.0               |
| Q2         | 6.4        | 4.2                     | 4.4                  | 3.4      | 4.0              | 2.4              | 3.8                 | 1.9               |
| Q3<br>Q4   | 6.0        | 3.9                     | 4.2                  | 3.3      | 4.0              | 2.3              | 3.5                 | 1.8               |
| <b>Q</b> . | 0.0        | 0.0                     |                      | 0.0      | 0.0              |                  | 0.0                 |                   |
| 2001 Q1    | 5.9        | 3.8                     | 4.1                  | 3.2      | 3.9              | 2.1              | 3.3                 | 1.6               |
| Q2         | 5.6        | 3.7                     | 4.0                  | 3.1      | 3.8              | 2.0              | 3.2                 | 1.5               |
| Q3         | 5.5        | 3.6                     | 3.9                  | 3.0      | 3.6              | 2.0              | 3.2                 | 1.5               |
| Q4         | 5.5        | 3.6                     | 3.8                  | 3.0      | 3.6              | 2.0              | 3.5                 | 1.6               |
| 2002 Q1    | 5.3        | 3.5                     | 3.7                  | 2.9      | 3.5              | 2.0              | 3.5                 | 1.6               |
| Q2         | 5.2        | 3.5                     | 3.6                  | 2.8      | 3.5              | 2.1              | 3.6                 | 1.6               |
| Q3         | 5.1        | 3.5                     | 3.6                  | 2.8      | 3.5              | 2.1              | 3.6                 | 1.7               |
| Q4         | 4.8        | 3.4                     | 3.6                  | 2.8      | 3.5              | 2.1              | 3.6                 | 1.7               |
| 2003 01    | 47         | 33                      | 34                   | 28       | 35               | 21               | 36                  | 17                |
| Q2         | 4.6        | 3.3                     | 3.4                  | 2.9      | 3.5              | 2.1              | 3.7                 | 1.7               |
| Q3         | 4.5        | 3.2                     | 3.3                  | 2.9      | 3.5              | 2.1              | 3.7                 | 1.7               |
| Q4         | 4.4        | 3.1                     | 3.2                  | 2.8      | 3.5              | 2.1              | 3.6                 | 1.7               |
| 2004 01    | 4.2        | 3.0                     | 3.0                  | 27       | 34               | 2.0              | 3.6                 | 17                |
| Q2         | 4.1        | 2.9                     | 2.9                  | 2.5      | 3.3              | 2.0              | 3.5                 | 1.6               |
| Q3         | 3.9        | 2.8                     | 2.8                  | 2.5      | 3.2              | 1.9              | 3.4                 | 1.6               |
| Q4         | 3.9        | 2.8                     | 2.8                  | 2.5      | 3.2              | 1.9              | 3.4                 | 1.6               |
| 2005 Q1    | 3.8        | 27                      | 28                   | 24       | 31               | 19               | 34                  | 16                |
| Q2         | 3.9        | 2.9                     | 3.0                  | 2.6      | 3.5              | 2.1              | 3.4                 | 1.6               |
| Q3         | 4.1        | 3.1 <sup>†</sup>        | 3.1                  | 2.7      | 3.7 <sup>†</sup> | 2.1              | 3.5                 | 1.7               |
|            | South West | t England               | Wales                | Sc       | otland           | Great<br>Britain | Northern<br>Ireland | United<br>Kingdom |
| Quarterly  |            |                         |                      |          |                  |                  |                     |                   |
|            | DPRM       |                         |                      | ,        |                  |                  | DPRR                | BC IE             |
| 2000 Q1    | 2.7        | 3.6                     | 4.5                  |          | 4.8              | 3.7              | 5.5                 | 3.8               |
| Q2         | 2.5        | 3.4                     | 4.4                  |          | 4.6              | 3.6              | 5.3                 | 3.6               |
| Q3         | 2.4        | 3.3                     | 4.3                  |          | 4.4              | 3.4              | 5.1                 | 3.5               |
| Q4         | 2.3        | 3.2                     | 4.3                  |          | 4.3              | 3.4              | 5.2                 | 3.4               |
| 2001 Q1    | 2.1        | 3.1                     | 4.2                  |          | 4.1              | 3.2              | 5.0                 | 3.3               |
| Q2         | 2.1        | 3.0                     | 4.0                  |          | 4.0              | 3.1              | 4.9                 | 3.2               |
| Q3         | 2.0        | ) 2.9                   | 3.8                  |          | 3.9              | 3.1              | 4.8                 | 3.1               |
| Q4         | 2.0        | ) 3.0                   | 3.8                  |          | 4.0              | 3.1              | 4.7                 | 3.1               |
| 2002 Q1    | 2.0        | 2.9                     | 3.6                  |          | 3.9              | 3.1              | 4.6                 | 3.1               |
| Q2         | 2.0        | 2.9                     | 3.6                  |          | 3.9              | 3.0              | 4.5                 | 3.1               |
| Q3         | 1.9        | 2.9                     | 3.6                  |          | 3.9              | 3.0              | 4.3                 | 3.1               |
| Q4         | 1.9        | 2.9                     | 3.5                  |          | 3.8              | 3.0              | 4.3                 | 3.0               |
| 2003 Q1    | 1.9        | 2.9                     | 3.4                  |          | 3.8              | 3.0              | 4.2                 | 3.0               |
| Q2         | 1.9        | 2.9                     | 3.4                  |          | 3.8              | 3.0              | 4.2                 | 3.0               |
| Q3         | 1.9        | 2.9                     | 3.3                  |          | 3.8              | 3.0              | 4.2                 | 3.0               |
| Q4         | 1.8        | 3 2.8                   | 3.2                  |          | 3.7              | 2.9              | 4.1                 | 2.9               |
| 2004 Q1    | 1.7        | 2.7                     | 3.1                  |          | 3.6              | 2.8              | 3.9                 | 2.8               |
| Q2         | 1.6        | 2.6                     | 3.1                  |          | 3.5              | 2.7              | 3.7                 | 2.8               |
| Q3         | 1.5        | 2.6                     | 3.0                  |          | 3.4              | 2.7              | 3.5                 | 2.7               |
| Q4         | 1.5        | 2.5                     | 3.0                  |          | 3.4              | 2.6              | 3.5                 | 2.7               |
| 2005 Q1    | 1.5        | 5 2.5                   | 2.9                  |          | 3.3              | 2.6              | 3.4                 | 2.6               |
| Q2         | 1.6        | 2.7                     | . 3.1                |          | 3.3              | 2.7              | 3.5                 | 2.8               |
| Q3         | 1.6        | 5 2.8 <sup>1</sup>      | 3.2                  |          | 3.3'             | 2.8              | 3.4'                | 2.8               |

Note: Quarterly claimant count figures relate to the average of the three months in each quarter.

1 Government Office Regions came into effect in April 1994. It was decided that from May 1997 sub-national data should be published for these areas rather than standard statistical regions (SSRs). Data by standard statistical regions are available on request.

2 The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 for Great Britain, Northern Ireland and the United Kingdom (1974 for Wales and Scotland; 1986 for the Government Office Regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See pages 398 - 400 of November 1995 *Labour Market Trends*.)The denominators used to calculate claimant count rates are the sum of the appropriate mid-year estimates of employee jobs, the self-employed, Government-supported trainees, HM Forces and claimants of unemployment related benefits.

3 Includes Merseyside.

Source: Office for National Statistics; Enquiries 020 7533 6094



### Unemployment rates<sup>1,2</sup> by Government Office Region **4.5A**

Percentages, seasonally adjusted <sup>4</sup>

|                           | North East                       | North West <sup>3</sup>  | Yorkshire<br>and the<br>Humber   | East<br>Midlands                 | West<br>Midlands                 | East                             | London                           | South East                       |
|---------------------------|----------------------------------|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Quarterly                 |                                  |  |                                  |                                  |                                  |                                  |                                  |                                  |
| 2000 Q1<br>Q2<br>Q3<br>Q4 | YCNC<br>8.8<br>8.9<br>8.9<br>7.7 | YCND<br>6.0<br>5.3<br>5.4<br>5.3   | YCNE<br>6.4<br>6.1<br>5.9<br>6.1 | YCNF<br>5.1<br>4.8<br>4.8<br>4.7 | YCNG<br>6.1<br>6.1<br>5.7<br>6.0 | YCNH<br>3.9<br>3.7<br>3.7<br>3.6 | YCNI<br>7.6<br>7.4<br>6.9<br>6.8 | YCNJ<br>3.5<br>3.3<br>3.1<br>3.4 |
| 2001 Q1<br>Q2<br>Q3<br>Q4 | 7.6<br>7.4<br>7.1<br>7.2         | 5.2<br>5.3<br>5.1<br>5.4   | 5.4<br>5.5<br>5.3<br>5.1         | 4.7<br>5.0<br>4.6<br>4.5         | 5.6<br>5.5<br>5.4<br>5.5         | 3.5<br>3.6<br>4.0<br>3.9         | 6.5<br>6.2<br>6.6<br>7.4         | 3.4<br>3.2<br>3.4<br>3.4         |
| 2002 Q1<br>Q2<br>Q3<br>Q4 | 7.3<br>6.5<br>6.2<br>7.3         | 5.4<br>5.5<br>5.5<br>4.9   | 5.1<br>5.3<br>5.6<br>5.0         | 4.7<br>4.6<br>4.7<br>4.8         | 5.6<br>5.7<br>5.9<br>5.7         | 3.7<br>3.7<br>3.9<br>4.0         | 6.9<br>6.8<br>7.1<br>6.6         | 3.6<br>3.8<br>4.0<br>4.0         |
| 2003 Q1<br>Q2<br>Q3<br>Q4 | 6.6<br>6.1<br>6.6<br>6.3         | 4.9<br>5.0<br>4.9<br>4.7   | 5.3<br>5.1<br>4.9<br>5.0         | 4.0<br>4.4<br>4.6<br>4.4         | 6.0<br>5.6<br>5.9<br>5.7         | 4.7<br>3.9<br>3.9<br>3.5         | 7.0<br>7.2<br>7.2<br>7.0         | 3.9<br>3.9<br>3.9<br>3.9         |
| 2004 Q1<br>Q2<br>Q3<br>Q4 | 5.6<br>5.5<br>6.0<br>6.4         | 4.5<br>4.4<br>4.4<br>4.6   | 4.8<br>4.5<br>4.6<br>4.7         | 4.7<br>4.3<br>4.0<br>4.2         | 5.5<br>5.5<br>5.0<br>4.8         | 3.5<br>3.8<br>3.5<br>3.8         | 7.0<br>7.0<br>7.2<br>7.2         | 3.9<br>3.6<br>3.7<br>3.5         |
| 2005 Q1<br>Q2<br>Q3       | 5.7<br>6.8<br>6.6                | 4.8<br>4.4<br>4.4 <sup>†</sup>   | 4.3<br>4.7<br>4.6                | 4.3<br>4.4<br>4.4                | 4.7<br>4.6<br>4.7                | 3.9<br>3.9<br>4.0                | 6.7<br>7.1<br>6.7                | 3.7<br>3.8<br>4.0                |
|                           | South West                       | t England  | Wales                            | S                                | cotland                          | Great<br>Britain                 | Northern<br>Ireland              | United<br>Kingdom                |
| Quarterly                 |                                  |  |                                  |                                  |                                  |                                  |                                  |                                  |
| 2000 Q1<br>Q2<br>Q3<br>Q4 | YCNK<br>4.3<br>4.3<br>4.0<br>3.9 | YCNL           3         5.5           3         5.3           5         5.3           5         5.1 | YCNM<br>6.7<br>6.1<br>6.7<br>5.8 |                                  | YCNN<br>7.5<br>7.1<br>6.6<br>6.2 | YCNO<br>5.8<br>5.5<br>5.3<br>5.2 | ZSFB<br>6.5<br>6.7<br>5.6<br>6.1 | MGSX<br>5.8<br>5.5<br>5.3<br>5.2 |
| 2001 Q1<br>Q2<br>Q3<br>Q4 | 3.9<br>3.6<br>3.6<br>3.6         | 4.9       4.8       4.8       4.9       5       5.0  | 6.0<br>6.1<br>5.5<br>5.8         |                                  | 5.9<br>6.3<br>6.6<br>6.7         | 5.0<br>5.0<br>5.1<br>5.2         | 6.2<br>6.1<br>6.0<br>5.9         | 5.1<br>5.0<br>5.1<br>5.2         |
| 2002 Q1<br>Q2<br>Q3<br>Q4 | 3.5<br>3.7<br>4.0<br>4.0         | 5 5.0<br>7 5.0<br>0 5.2<br>0 5.0   | 5.7<br>5.7<br>5.2<br>5.1         |                                  | 6.6<br>6.3<br>6.4<br>6.1         | 5.1<br>5.1<br>5.3<br>5.1         | 6.1<br>5.6<br>6.1<br>5.5         | 5.2<br>5.2<br>5.3<br>5.1         |
| 2003 Q1<br>Q2<br>Q3<br>Q4 | 3.8<br>3.4<br>3.2<br>3.1         | 3         5.1           4         4.9           2         5.0           4.8                          | 4.8<br>4.5<br>4.7<br>4.8         |                                  | 6.0<br>5.3<br>5.9<br>5.8         | 5.1<br>4.9<br>5.0<br>4.9         | 5.3<br>5.2<br>5.6<br>6.3         | 5.1<br>4.9<br>5.0<br>4.9         |
| 2004 Q1<br>Q2<br>Q3<br>Q4 | 3.0<br>3.7<br>3.2<br>3.4         | 4.7           4.7           4.7           4.6           4.7  | 4.6<br>4.2<br>4.9<br>4.2         |                                  | 5.8<br>6.0<br>5.2<br>5.6         | 4.8<br>4.8<br>4.7<br>4.7         | 5.3<br>5.2<br>5.0<br>4.6         | 4.8<br>4.8<br>4.7<br>4.7         |
| 2005 Q1<br>Q2<br>Q3       | 3.6<br>3.2<br>3.6                | 6         4.6           2         4.7           6         4.7  | 4.5<br>4.6<br>4.6                |                                  | 5.6<br>5.5<br>5.4                | 4.7<br>4.8<br>4.8                | 4.8<br>5.0<br>4.3                | 4.7<br>4.8<br>4.7                |

 

 1 The data in this table have been adjusted to reflect the latest revisions to mid-year population data.
 3 Includes Merseyside.

 2 Data are from the Labour Force Survey. Unemployment rate is the percentage of economically active people who are unemployed on the ILO measure
 3 Includes Merseyside.

 ure.



### Average earnings (including bonuses) Great Britain 4.6

|                                 | Grea                                      | t Britain                       | 1   |                                 |   |                                 |   |                                 |   |                                 |   |                                 |   | 2000 = 100                      |
|---------------------------------|---|---------------------------------|---|---------------------------------|---|---------------------------------|---|---------------------------------|---|---------------------------------|---|---------------------------------|---|---------------------------------|
|                                 | Whole                                     | 3 month                         | Private                                   | 3 month                         | Public                                    | 3 month                         | Manufact-<br>uring<br>industri-           | 3 month                         | Product-<br>ion<br>industri-              | 3 month                         | Service<br>industri-                      | 3 month                         | Private<br>sector                         | 3 month                         |
| Annual                          | economy+                                  | average                         | 360101                                    | average                         | 360101                                    | average                         | 63  | average                         | 63  | average                         | 63  | average                         | 361 11063                                 | average                         |
| 2001<br>2002<br>2003<br>2004    | LNMQ<br>104.5<br>108.2<br>111.9<br>116.7  |                                 | LNKY<br>104.3<br>107.9<br>111.3<br>116.0  |                                 | LNNJ<br>105.0<br>109.3<br>114.8<br>119.8  |                                 | LNMR<br>104.3<br>108.0<br>111.9<br>116.0  |                                 | LNMS<br>104.2<br>107.9<br>111.7<br>115.8  |                                 | LNMT<br>104.4<br>108.1<br>112.0<br>116.7  |                                 | JJGH<br>104.2<br>107.8<br>110.9<br>115.7  |                                 |
| Monthly                         |   |                                 |   |                                 |   |                                 |   |                                 |   |                                 |   |                                 |   |                                 |
| 2001 Jan                        | 103.1                                     | LNNC<br>4.5                     | 103.3                                     | LNND<br>4.7                     | 102.3                                     | LNNE<br>3.9                     | 102.9                                     | LNNG<br>4.6                     | 103.0                                     | LNNF<br>4.3                     | 103.3                                     | LNNH<br>4.5                     | 103.4                                     | JJGJ<br>4.7                     |
| Feb<br>Mar<br>Apr<br>May<br>Jun | 103.6<br>103.6<br>103.9<br>104.0<br>104.3 | 4.7<br>4.7<br>5.0<br>5.1<br>5.3 | 103.7<br>103.5<br>103.8<br>103.8<br>104.1 | 4.8<br>4.7<br>5.0<br>5.1<br>5.3 | 102.7<br>103.3<br>104.6<br>104.9<br>105.2 | 3.6<br>3.7<br>4.3<br>5.2<br>5.5 | 103.4<br>102.5<br>104.1<br>104.1<br>104.3 | 4.8<br>4.5<br>5.0<br>4.7<br>5.0 | 103.7<br>102.6<br>103.9<br>103.9<br>104.2 | 4.6<br>4.5<br>4.9<br>4.7<br>4.9 | 103.7<br>103.7<br>103.8<br>103.9<br>104.2 | 4.7<br>4.7<br>5.0<br>5.1<br>5.3 | 103.8<br>103.7<br>103.6<br>103.6<br>103.9 | 4.9<br>4.7<br>5.0<br>5.1<br>5.3 |
| Jul                             | 104.4                                     | 5.2                             | 104.2                                     | 5.1                             | 105.6                                     | 5.6                             | 104.5                                     | 4.8                             | 104.3                                     | 4.6                             | 104.3                                     | 5.2                             | 103.9                                     | 5.1                             |
| Sep                             | 104.5                                     | 4.6                             | 104.9                                     | 4.4                             | 105.9                                     | 5.7                             | 104.3                                     | 4.6                             | 104.7                                     | 4.0                             | 104.9                                     | 4.6                             | 104.5                                     | 4.2                             |
| Oct                             | 105.3                                     | 4.3                             | 105.0                                     | 4.0                             | 106.5                                     | 5.6                             | 105.4                                     | 4.4                             | 105.2                                     | 4.3                             | 105.2                                     | 4.2                             | 104.8                                     | 3.8                             |
| Dec                             | 105.8                                     | 3.3                             | 105.5                                     | 2.9                             | 106.9                                     | 5.2                             | 105.5                                     | 3.3                             | 105.3                                     | 3.2                             | 105.5                                     | 3.9                             | 105.2                                     | 2.7                             |
| 2002 Jan                        | 106.0                                     | 2.9                             | 105.9                                     | 2.5                             | 107.1                                     | 4.9                             | 106.1                                     | 3.0                             | 106.2                                     | 2.9                             | 106.0                                     | 2.8                             | 105.5                                     | 2.2                             |
| Feb<br>Mar                      | 106.8                                     | 2.7                             | 106.6                                     | 2.3                             | 107.3                                     | 4.8                             | 106.1                                     | 2.8                             | 105.9                                     | 2.6                             | 106.9                                     | 2.7                             | 106.7                                     | 2.1                             |
| Apr                             | 107.9                                     | 3.2                             | 108.0                                     | 3.1                             | 108.3                                     | 4.1                             | 107.0                                     | 2.9                             | 106.8                                     | 2.8                             | 107.9                                     | 3.2                             | 107.8                                     | 2.9                             |
| May<br>Jun                      | 108.0<br>108.2                            | 3.5<br>3.8                      | 107.8<br>108.1                            | 3.4<br>3.9                      | 108.6<br>108.9                            | 3.8<br>3.5                      | 107.7<br>108.2                            | 3.2<br>3.3                      | 107.5<br>108.0                            | 3.2<br>3.3                      | 108.0<br>108.2                            | 3.4<br>3.9                      | 107.8<br>108.1                            | 3.3<br>4.0                      |
| Jul                             | 108.5                                     | 3.8                             | 108.3                                     | 3.9                             | 109.7                                     | 3.6                             | 108.4                                     | 3.6                             | 108.2                                     | 3.6                             | 108.6                                     | 3.9                             | 108.1                                     | 4.0                             |
| Aug                             | 108.7                                     | 3.8                             | 108.6                                     | 3.8                             | 109.0                                     | 3.4                             | 108.9                                     | 3.7                             | 108.8                                     | 3.8                             | 108.6                                     | 3.8                             | 108.4                                     | 3.9                             |
| Sep                             | 109.0                                     | 3.8                             | 108.8                                     | 3.8                             | 110.0                                     | 3.6<br>3.7                      | 108.9                                     | 3.7                             | 108.9                                     | 3.8<br>3 9                      | 108.9                                     | 3.8                             | 108.6                                     | 3.8                             |
| Nov                             | 110.1                                     | 4.0                             | 109.7                                     | 3.9                             | 111.7                                     | 4.3                             | 109.7                                     | 3.9                             | 109.6                                     | 4.0                             | 110.2                                     | 4.0                             | 109.7                                     | 3.9                             |
| Dec                             | 109.5                                     | 3.9                             | 108.6                                     | 3.6                             | 112.2                                     | 4.7                             | 110.0                                     | 4.1                             | 109.9                                     | 4.2                             | 108.9                                     | 3.8                             | 108.1                                     | 3.5                             |
| 2003 Jan<br>Feb                 | 109.0                                     | 3.5                             | 108.6                                     | 3.2                             | 112.6                                     | 5.0<br>5.1                      | 110.2                                     | 4.1                             | 110.2                                     | 4.1                             | 108.9                                     | 3.4                             | 107.4                                     | 2.9                             |
| Mar                             | 110.9                                     | 3.3                             | 110.1                                     | 2.9                             | 113.3                                     | 5.1                             | 111.8                                     | 4.6                             | 112.0                                     | 4.5                             | 110.4                                     | 3.0                             | 109.2                                     | 2.2                             |
| Apr                             | 110.7                                     | 3.2                             | 110.0                                     | 2.7                             | 113.9                                     | 5.1                             | 110.3                                     | 4.4                             | 110.2                                     | 4.3                             | 110.8                                     | 3.0                             | 109.7                                     | 2.2                             |
| Jun                             | 111.4                                     | 3.0                             | 111.1                                     | 2.9                             | 114.7                                     | 4.9<br>5.0                      | 111.4                                     | 4.0                             | 111.3                                     | 4.0<br>3.2                      | 111.9                                     | 3.3                             | 110.9                                     | 2.7                             |
| Jul                             | 112.6                                     | 3.4                             | 111.9                                     | 3.0                             | 115.6                                     | 5.1                             | 111.8                                     | 3.1                             | 111.7                                     | 3.1                             | 113.0                                     | 3.6                             | 111.9                                     | 3.0                             |
| Aug                             | 112.6                                     | 3.5                             | 111.9                                     | 3.0<br>3.3                      | 115.5                                     | 5.6<br>5.6                      | 112.2                                     | 3.0<br>3.2                      | 112.0                                     | 3.1                             | 112.8                                     | 3.8                             | 111.8                                     | 3.1                             |
| Oct                             | 113.4                                     | 3.7                             | 112.8                                     | 3.3                             | 116.1                                     | 5.4                             | 113.0                                     | 3.3                             | 112.9                                     | 3.2                             | 113.4                                     | 3.9                             | 112.5                                     | 3.4                             |
| Nov<br>Dec                      | 113.7<br>114.3                            | 3.6<br>3.8                      | 113.1<br>113.9                            | 3.3<br>3.9                      | 116.4<br>117.0                            | 4.8<br>4 4                      | 113.7<br>113.6                            | 3.5<br>3.4                      | 113.5<br>113.4                            | 3.4<br>3.3                      | 113.7<br>114.5                            | 3.7<br>4 1                      | 112.8<br>113.4                            | 3.3<br>3.7                      |
| 2004 Jan                        | 115.6                                     | 4.6                             | 115.0                                     | 4.6                             | 117.2                                     | 4.2                             | 114.3                                     | 35                              | 114.1                                     | 3.4                             | 115.7                                     | 4.8                             | 115.4                                     | 5.0                             |
| Feb                             | 113.8                                     | 4.7                             | 113.0                                     | 4.8                             | 117.8                                     | 4.3                             | 114.5                                     | 3.5                             | 114.4                                     | 3.5                             | 113.4                                     | 5.0                             | 111.9                                     | 5.2                             |
| Mar                             | 115.7                                     | 4.7                             | 114.9                                     | 4.6                             | 118.3                                     | 4.3                             | 115.5                                     | 3.5                             | 115.4                                     | 3.4                             | 115.7                                     | 4.8                             | 114.6                                     | 5.2                             |
| May                             | 116.1                                     | 4.4                             | 115.5                                     | 4.4                             | 118.7                                     | 4.3                             | 116.0                                     | 4.1                             | 115.7                                     | 4.0                             | 115.8                                     | 4.3                             | 115.0                                     | 4.3                             |
| Jun                             | 116.4                                     | 4.3                             | 115.7                                     | 4.3                             | 119.9                                     | 4.4                             | 116.0                                     | 4.4                             | 115.8                                     | 4.3                             | 116.4                                     | 4.1                             | 115.3                                     | 4.0                             |
| Jul<br>Aua                      | 116.4<br>117.2 <sup>1</sup>               | 3.9<br>3.9                      | 115.5<br>116.4 <sup>1</sup>               | 3.8<br>1 3.8                    | 119.9<br>120.7                            | 4.2<br>4.2                      | 116.1<br>116.0 <sup>1</sup>               | . 4.1<br>3.8                    | 115.9<br>115.8                            | 4.0<br>3.7                      | 116.2<br>117.3                            | 3.6<br>3.6                      | 114.8<br>116.1 <sup>1</sup>               | 3.4<br>3.4 <sup>†</sup>         |
| Sep                             | 117.7                                     | 3.8                             | 116.9                                     | 3.7                             | 121.2                                     | 4.2                             | 116.3                                     | 3.4                             | 116.1                                     | 3.4                             | 117.8 <sup>1</sup>                        | 3.6                             | 116.7                                     | 3.4                             |
| Oct<br>Nov                      | 118.5                                     | 4.2                             | 117.8                                     | 4.1                             | 121.7                                     | 4.6<br>4.7                      | 116.8                                     | 3.2                             | 116.6                                     | 3.2                             | 118.7                                     | 4.2                             | 117.6                                     | 4.1<br>4.4                      |
| Dec                             | 119.1                                     | 4.4                             | † 118.5                                   | 4.3                             | 122.2                                     | 4.7                             | 117.8                                     | 3.3                             | 117.6                                     | 3.3                             | 119.3                                     | 4.5                             | 118.3                                     | 4.5                             |
| 2005 Jan                        | 120.1                                     | 4.2                             | 119.4                                     | 4.1                             | 122.7                                     | 4.6                             | 117.8                                     | 3.2                             | 117.7                                     | 3.3                             | 120.2                                     | 4.3                             | 119.6                                     | 4.1                             |
| ⊢eb<br>Mar                      | 120.2                                     | 4.6<br>4.5                      | 119.6<br>119.5                            | 4.6<br>4.6                      | 123.3                                     | 4.6<br>4.5                      | 118.6<br>120.0                            | 3.5<br>3.5                      | 118.5<br>119.6                            | 3.5<br>3.5                      | 120.5                                     | 4.8<br>4.8                      | 119.5                                     | 4.9<br>4.9                      |
| Apr                             | 120.6                                     | 4.6                             | 119.7                                     | 4.6                             | 124.3                                     | 4.6                             | 118.9                                     | 3.5                             | 118.7                                     | 3.4                             | 120.8                                     | 5.0                             | 119.6                                     | 5.1                             |
| May<br>Jun                      | 120.8<br>121.1                            | 4.1<br>4.1                      | 119.3<br>120.2                            | 3.8<br>3.7                      | 127.8<br>125.0                            | 5.6<br>5.6                      | 118.2<br>119.3                            | 3.0<br>2.6                      | 118.1<br>119.0                            | 2.9<br>2.6                      | 121.2<br>121.4                            | 4.5<br>4.5                      | 119.4<br>120.1                            | 4.1<br>4.1                      |
| lul                             | 101 6                                     | 10                              | 120.7                                     | 30                              | 125.2                                     | 5.0                             | 120.1                                     | 2.0                             | 110.0                                     | 0                               | 101.0                                     |                                 | 120 6                                     |                                 |
| Aug                             | 121.9                                     | 4.2                             | 121.0                                     | 4.1                             | 125.9                                     | 4.3                             | 121.0                                     | 3.5                             | 120.6                                     | 3.5                             | 121.9                                     | 4.4                             | 120.8                                     | 4.4                             |
| Sep<br>Oct <sup>1</sup>         | 122.1<br>122.1                            | 4.1<br>3.6                      | 121.2<br>121.1                            | 4.1<br>3.5                      | 126.0<br>126.6                            | 4.2<br>4.1                      | 121.6<br>122.0                            | 4.1<br>4.5                      | 121.3<br>121.7                            | 4.0<br>4.3                      | 121.9<br>121.8                            | 4.1<br>3.4                      | 120.7<br>120.1                            | 4.1<br>3.1                      |

1 Provisional.

The 3 month average is the change in the average seasonally adjusted index values for the last 3 months compared with the same period a year ago.
 ONS regrets that the series have been withdrawn for the period 1963-1982, owing to an irregularity.

Source: Office for National Statistics; Enquiries 01633 816024





2002 = 100

### Productivity and Unit Wage costs<sup>1</sup> United Kingdom 4.7

|           | Productivity jobs  |                          |                     | Output per<br>worker <sup>2</sup> | Out           | put per filled           | job <sup>3</sup>    | Outpu         | it per hour wo           | Unit wage costs <sup>5</sup> |               |                     |
|-----------|--------------------|--------------------------|---------------------|-----------------------------------|---------------|--------------------------|---------------------|---------------|--------------------------|------------------------------|---------------|---------------------|
|           |                    | Total                    | Manufact-           |                                   |               | Total                    | Manufact-           |               | Total                    | Manufact-                    |               | Manufact-           |
|           | Whole<br>economy   | production<br>industries | uring<br>industries | Whole economy                     | Whole economy | production<br>industries | uring<br>industries | Whole economy | production<br>industries | uring<br>industries          | Whole economy | uring<br>industries |
| Annual    |                    |                          |                     |                                   |               |                          |                     |               |                          |                              |               |                     |
|           | LNNM               | LNOJ                     | LNOK                | A4YM                              | LNNN          | LNNW                     | LNNX                | LZVB          | LZVK                     | LZVF                         | LNNK          | LNNQ                |
| 2002      | 100.0              | 100.0                    | 100.0               | 100.0                             | 100.0         | 100.0                    | 100.0               | 100.0         | 100.0                    | 100.0                        | 100.0         | 100.0               |
| 2003      | 100.9              | 95.8'                    | 95.8                | 101.5                             | 101.6         | 103.9'                   | 104.5'              | 102.0         | 103.5'                   | 104.1'                       | 101.7         | 99.1                |
| 2004      | 101.7              | 91.9                     | 91.8                | 103.5'                            | 103.8'        | 109.1                    | 111.0               | 104.5'        | 108.0                    | 109.8                        | 103.5'        | 96.7                |
| Quarterly |                    |                          |                     |                                   |               |                          |                     |               |                          |                              |               |                     |
| 2002 Q1   | 99.6               | 101.6                    | 101.6               | 99.8                              | 99.7          | 98.5                     | 98.7                | 99.3          | 97.8                     | 98.0                         | 99.0          | 99.4                |
| Q2        | 99.9               | 100.8                    | 100.8               | 99.7                              | 99.8          | 99.5                     | 98.9                | 100.1         | 100.3                    | 99.8                         | 99.9          | 100.8               |
| 03        | 100.1              | 99.3                     | 99.3                | 100.3                             | 100.2         | 100.8                    | 101.4               | 100.1         | 101.5                    | 102.1                        | 100.2         | 99.2                |
| Q4        | 100.5              | 98.4                     | 98.4                | 100.2                             | 100.2         | 101.2                    | 101.0               | 100.4         | 100.4                    | 100.2                        | 100.9         | 100.6               |
| 2002 01   | 100.6              | 07.7                     | on ot               | 100 0                             | 100.9         | 101 7                    | 101 01              | 101.0         | 100 01                   | 100 ot                       | 100.0         | 101.01              |
| 2003 Q1   | 100.0              | 97.7                     | 90.0                | 100.0                             | 100.8         | 101.7                    | 101.3               | 101.2         | 100.6                    | 100.0                        | 100.9         | 101.3               |
| 02        | 100.0              | 90.5                     | 90.3                | 100.0                             | 101.0         | 102.7                    | 105.5               | 101.1         | 102.5                    | 103.0                        | 101.7         | 99.4                |
| Q3        | 101.0              | 95.1                     | 95.0                | 101.0                             | 101.0         | 104.0                    | 105.5               | 102.2         | 105.0                    | 104.7                        | 102.4         | 90.5                |
| 04        | 101.1              | 93.0                     | 93.0                | 102.7                             | 102.0         | 100.7                    | 107.0               | 103.7         | 100.0                    | 107.0                        | 101.9         | 97.4                |
| 2004 Q1   | 101.4              | 92.9                     | 92.8                | 102.9                             | 103.2         | 107.9                    | 109.3               | 103.9         | 107.4                    | 108.6                        | 102.6         | 97.2                |
| Q2        | 101.6              | 92.4                     | 92.3                | 103.6                             | 103.8         | 109.1                    | 110.8               | 104.8         | 108.1                    | 109.5                        | 103.1         | 96.7                |
| Q3        | 101.7 <sup>T</sup> | 91.5                     | 91.5                | 103.8                             | 104.0         | 109.1                    | 110.9               | 104.9         | 107.4                    | 109.2                        | 103.5         | 96.9                |
| Q4        | 102.0              | 90.7                     | 90.6                | 103.9                             | 104.3         | 110.4                    | 113.0               | 104.6         | 109.3                    | 111.9                        | 104.8         | 95.9                |
| 2005 Q1   | 102.4              | 90.0                     | 89.9                | 103.8                             | 104.2         | 110.3                    | 112.9               | 104.5         | 108.4                    | 111.2                        | 105.9         | 97.4                |
| Q2        | 102.6              | 89.0                     | 88.9                | 104.2                             | 104.5         | 111.4                    | 114.0               | 105.3         | 110.1                    | 112.9                        | 106.1         | 96.5                |
| Q3        | 102.8              | 88.4                     | 88.1                | 104.2                             | 104.6         | 111.4                    | 115.3               | 104.9         | 108.8                    | 112.5                        | 106.5         | 97.3                |
| Monthly   |                    |                          |                     |                                   |               |                          |                     |               |                          |                              |               |                     |
| 2004 Jul  |                    |                          | as at               |                                   |               |                          | 110.0               |               |                          |                              |               | 07 7                |
|           |                    |                          | 91.5                |                                   |               |                          | 110.0               |               |                          |                              |               | 97.0                |
| Sen       |                    |                          | 91.0                |                                   |               |                          | 112.1               |               |                          |                              |               | 96.0                |
| Oct       |                    |                          | 90.9                |                                   |               |                          | 111.7               |               |                          |                              |               | 96.7                |
| Nov       |                    |                          | 90.5                |                                   |               |                          | 113.5               |               |                          |                              |               | 95.4                |
| Dec       |                    |                          | 90.4                |                                   |               |                          | 113.9               |               |                          |                              |               | 95.7                |
| 2005 lon  |                    |                          | 00.0                |                                   |               |                          | 110.0               |               |                          |                              |               | 06.0                |
| 2005 Jan  |                    |                          | 90.2                |                                   |               |                          | 110.2               |               |                          |                              |               | 90.3                |
| Feb       |                    |                          | 09.9<br>90.5        |                                   |               |                          | 110.4               |               |                          |                              |               | 90.7                |
| Iviai     |                    |                          | 09.0                |                                   |               |                          | 112.1               |               |                          |                              |               | 99.1                |
| Apr       |                    |                          | 09.3                |                                   |               |                          | 113.2               |               |                          |                              |               | 97.2                |
| Jun       |                    |                          | 88.5                |                                   |               |                          | 114.8               |               |                          |                              |               | 96.2                |
|           |                    |                          |                     |                                   |               |                          |                     |               |                          |                              |               |                     |
| Jul       |                    |                          | 88.2                |                                   |               |                          | 115.4               |               |                          |                              |               | 96.3                |
| Aug       |                    |                          | 88.1                |                                   |               |                          | 115.4               |               |                          |                              |               | 97.0                |
| Sep       |                    |                          | 88.0                |                                   |               |                          | 115.1               |               |                          |                              |               | 97.8                |
| Oct       |                    |                          | 87.6                |                                   |               |                          | 114.8               |               |                          |                              |               | 98.3                |
|           |                    |                          |                     |                                   |               |                          |                     |               |                          |                              |               |                     |

Percentage change, quarter on corresponding quarter of previous year

| Quarterly |      |                   |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|-----------|------|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| -         | LNNO | LNNR              | LNNS              | A4YN             | LNNP             | LNNT             | LNNU             | LZVD             | LZVM.            | LZVH.            | LOJE             | LOJF             |
| 2003 Q1   | 1.0  | -3.8 <sup>†</sup> | -3.5 <sup>†</sup> | 1.1              | 1.1              | 3.3 <sup>†</sup> | 2.7 <sup>†</sup> | 1.8 <sup>†</sup> | 3.1 <sup>†</sup> | 2.9 <sup>†</sup> | 1.9              | 1.9 <sup>†</sup> |
| Q2        | 0.9  | -4.3              | -4.4              | 1.1              | 1.2              | 3.2              | 4.4              | 1.0              | 2.2              | 3.3              | 1.7              | -1.4             |
| Q3        | 0.9  | -4.2              | -4.3              | 1.4              | 1.6              | 3.8              | 4.0              | 2.1              | 2.3              | 2.6              | 2.1              | -0.7             |
| Q4        | 0.6  | -4.7              | -4.7              | 2.5              | 2.6 <sup>†</sup> | 5.5              | 6.8              | 3.3              | 6.3              | 7.6              | 1.0 <sup>†</sup> | -3.2             |
| 2004 Q1   | 0.8  | -5.0              | -5.3              | 2.1 <sup>†</sup> | 2.4              | 6.1              | 7.9              | 2.6              | 6.5              | 7.7              | 1.7              | -4.1             |
| Q2        | 0.8  | -4.2              | -4.1              | 2.8              | 2.8              | 6.3              | 7.2              | 3.6              | 5.4              | 6.3              | 1.4              | -2.6             |
| Q3        | 0.7† | -3.8              | -3.7              | 2.0              | 2.2              | 4.2              | 5.2              | 2.7              | 3.4              | 4.3              | 1.1              | -1.7             |
| Q4        | 0.9  | -3.3              | -3.4              | 1.2              | 1.4              | 3.4              | 4.8              | 0.9              | 2.3              | 3.8              | 2.8              | -1.5             |
| 2005 Q1   | 0.9  | -3.2              | -3.2              | 0.9              | 1.0              | 2.2              | 3.3              | 0.6              | 0.9              | 2.4              | 3.2              | 0.2              |
| Q2        | 1.0  | -3.6              | -3.8              | 0.6              | 0.6              | 2.1              | 2.9              | 0.4              | 1.8              | 3.1              | 3.0              | -0.3             |
| Q3        | 1.1  | -3.3              | -3.7              | 0.4              | 0.6              | 2.2              | 3.9              | -                | 1.3              | 3.0              | 3.0              | 0.5              |

 1 The full productivity and unit wage costs data sets with associated articles can be found on the National Statistics web site at www.statistics.gov.uk/productivity
 3 Output per filled job is the ratio of Gross value added at basic prices to productivity jobs.

 4 Output per hour worked is the ratio of Gross value added at basic prices to productivity hours.

output per job.

5 Unit wage costs are calculated as total wages and salaries per job divided by

formation. 2 Output per worker is the ratio of Gross value Added (GVA) at basic prices to LFS Total Employment. On 29 July 2004, ONS published details on the National Statistics website of a change in productivity methodology. Output per worker is the new headline measure.

Source: Office for National Statistics; Enquiries 01633 812766



2002 = 100

# **5.1** Output of production industries<sup>1</sup>

|   |  | Broad ind   | ustry groups  |  | By main industrial groupings                                    |  |   |   |  |  |
|---|--|---|---|--|---|--|---|---|--|--|
|   | Total<br>production<br>industries+                             | Mining and quarrying                                      | Electricity,<br>gas and<br>water<br>supply                      | Total<br>manufacturing<br>industries+                                    | Consumer<br>durables  | Consumer<br>non-durables                                     | Capital goods   | Intermediate<br>goods and energy                |  |  |
| 2002 weights                                | 1 000  | 121   | 88  | 790  | 37  | 269  | 213   | 481   |  |  |
| Annual                                      |  |   |   |  |   |  |   |   |  |  |
| 2000<br>2001<br>2002<br>2003<br>2004        | CKYW<br>104.2<br>102.6<br>100.0<br>99.5<br>100.3               | CKYX<br>106.1<br>100.3<br>100.0<br>94.9<br>87.2           | CKYZ<br>98.2<br>100.5<br>100.0<br>101.2<br>103.3                | CKYY<br>104.6<br>103.2<br>100.0<br>100.1<br>101.9 <sup>†</sup>           | UFIU<br>96.3<br>98.7<br>100.0<br>99.2<br>104.7                  | UFJS<br>98.8<br>100.0<br>100.0<br>100.0<br>99.9              | UFIL<br>110.2<br>108.4<br>100.0<br>101.4<br>105.0 <sup>†</sup>  | JMOH<br>105.5<br>102.0<br>100.0<br>98.4<br>98.0 |  |  |
| Quarterly                                   |  |   |   |  |   |  |   |   |  |  |
| 2000 Q1                                     | 103.8  | 110.2   | 96.9  | 103.8  | 96.6  | 99.0   | 108.2   | 105.3   |  |  |
| Q2  | 104.4  | 108.7   | 99.2  | 104.4  | 96.2  | 99.2   | 109.6   | 105.9   |  |  |
| Q3  | 104.1  | 105.0   | 98.1  | 104.6  | 96.0  | 98.5   | 110.3   | 105.5   |  |  |
| Q4  | 104.5  | 100.8   | 98.5  | 105.5  | 96.3  | 98.3   | 112.6   | 105.3   |  |  |
| 2001 Q1                                     | 104.5  | 99.3  | 102.1   | 105.5  | 99.6  | 100.0  | 113.8   | 103.6   |  |  |
| Q2  | 102.9  | 101.9   | 101.1   | 103.2  | 98.2  | 99.6   | 108.4   | 102.8   |  |  |
| Q3  | 102.4  | 100.8   | 99.9  | 103.0  | 98.1  | 100.3  | 108.0   | 101.8   |  |  |
| Q4  | 100.4  | 99.2  | 98.8  | 100.9  | 98.9  | 100.1  | 103.4   | 99.7  |  |  |
| 2002 Q1                                     | 100.0  | 100.1   | 98.2  | 100.2  | 102.0   | 100.4  | 99.6  | 99.9  |  |  |
| Q2  | 100.3  | 104.3   | 99.4  | 99.7   | 99.1  | 100.1  | 99.6  | 100.8   |  |  |
| Q3  | 100.1  | 95.6  | 101.2   | 100.7  | 98.8  | 100.6  | 101.4   | 99.4  |  |  |
| Q4  | 99.6   | 100.0   | 101.3   | 99.3   | 100.1   | 98.9   | 99.4  | 100.0   |  |  |
| 2003 Q1                                     | 99.4   | 99.6  | 99.3  | 99.4   | 98.3  | 99.1   | 99.9  | 99.4  |  |  |
| Q2  | 99.1   | 95.2  | 100.2   | 99.5   | 99.0  | 99.5   | 100.7   | 98.1  |  |  |
| Q3  | 99.5   | 93.5  | 101.6   | 100.2  | 99.2  | 100.6  | 101.6   | 98.1  |  |  |
| Q4  | 100.1  | 91.1  | 103.5   | 101.1  | 100.3   | 101.0  | 103.4   | 98.1  |  |  |
| 2004 Q1                                     | 100.3  | 89.5 <sup>†</sup>   | 104.0 <sup>†</sup>  | 101.5 <sup>†</sup>   | 102.0   | 100.4  | 103.2 <sup>†</sup>  | 98.7  |  |  |
| Q2  | 100.8 <sup>†</sup>   | 89.9  | 102.7   | 102.3  | 105.0 <sup>†</sup>  | 100.3 <sup>†</sup>   | 104.9   | 99.0  |  |  |
| Q3  | 99.8   | 85.9  | 103.5   | 101.5  | 106.7   | 99.0   | 105.3   | 97.3  |  |  |
| Q4  | 100.2  | 83.3  | 103.0   | 102.4  | 105.0   | 100.0  | 106.5   | 97.0  |  |  |
| 2005 Q1                                     | 99.2   | 82.7  | 101.4   | 101.5  | 104.8   | 99.5   | 104.4   | 96.3  |  |  |
| Q2  | 99.1   | 82.8  | 102.4   | 101.3  | 102.7   | 99.6   | 105.5   | 95.8  |  |  |
| Q3  | 98.6   | 76.4  | 101.4   | 101.6  | 101.7   | 99.4   | 107.4   | 93.9  |  |  |
| Monthly                                     |  |   |   |  |   |  |   |   |  |  |
| 2003 Jul                                    | 99.9   | 94.7  | 100.7   | 100.6  | 100.5   | 101.1  | 101.9   | 98.4  |  |  |
| Aug   | 99.0   | 93.3  | 101.5   | 99.7   | 97.6  | 100.2  | 100.5   | 97.8  |  |  |
| Sep   | 99.6   | 92.5  | 102.5   | 100.4  | 99.3  | 100.4  | 102.4   | 98.1  |  |  |
| Oct   | 100.8  | 93.1  | 105.0   | 101.5  | 99.9  | 101.9  | 103.2   | 99.2  |  |  |
| Nov   | 99.4   | 90.8  | 102.0   | 100.5  | 101.0   | 100.1  | 103.1   | 97.3  |  |  |
| Dec   | 100.1  | 89.4  | 103.6   | 101.4  | 99.9  | 100.9  | 104.0   | 97.9  |  |  |
| 2004 Jan<br>Feb<br>Mar<br>Apr<br>May<br>Jun | 100.1<br>99.8<br>100.9 <sup>†</sup><br>100.9<br>100.7<br>100.9 | 90.1<br>88.5 <sup>†</sup><br>89.9<br>89.6<br>88.9<br>91.2 | 103.0<br>105.0 <sup>†</sup><br>103.9<br>103.0<br>102.8<br>102.3 | 101.3 <sup>†</sup><br>100.9<br>102.3<br>102.3<br>102.3<br>102.3<br>102.2 | 100.8 <sup>†</sup><br>101.6<br>103.7<br>104.7<br>104.4<br>105.9 | 100.5<br>99.8 <sup>†</sup><br>100.8<br>101.3<br>99.6<br>99.9 | 103.1 <sup>†</sup><br>102.7<br>104.0<br>104.2<br>105.8<br>104.7 | 98.5<br>98.3<br>99.3<br>98.8<br>98.8<br>99.4    |  |  |
| Jul   | 100.1  | 91.1  | 102.5   | 101.2  | 108.0   | 97.6   | 105.3   | 98.6  |  |  |
| Aug   | 99.6   | 85.7  | 104.4   | 101.2  | 106.3   | 99.5   | 104.4   | 97.1  |  |  |
| Sep   | 99.7   | 81.0  | 103.5   | 102.1  | 105.9   | 99.8   | 106.4   | 96.2  |  |  |
| Oct   | 99.3   | 81.9  | 103.2   | 101.5  | 105.7   | 99.5   | 105.6   | 95.9  |  |  |
| Nov   | 100.5  | 83.5  | 103.4   | 102.8  | 103.3   | 100.5  | 107.0   | 97.4  |  |  |
| Dec   | 100.7  | 84.6  | 102.4   | 103.0  | 106.0   | 100.2  | 106.9   | 97.8  |  |  |
| 2005 Jan                                    | 99.6   | 82.7  | 100.9   | 102.1  | 103.9   | 100.4  | 104.9   | 96.6  |  |  |
| Feb   | 99.5   | 82.3  | 101.3   | 102.0  | 106.2   | 100.0  | 104.9   | 96.4  |  |  |
| Mar   | 98.4   | 83.1  | 102.1   | 100.3  | 104.4   | 98.1   | 103.5   | 95.8  |  |  |
| Apr   | 99.1   | 83.2  | 103.2   | 101.1  | 105.1   | 98.4   | 104.9   | 96.4  |  |  |
| May   | 99.3   | 84.4  | 102.2   | 101.2  | 102.1   | 99.6   | 105.3   | 96.2  |  |  |
| Jun   | 99.1   | 80.9  | 101.9   | 101.6  | 101.0   | 100.6  | 106.2   | 94.9  |  |  |
| Jul   | 99.0   | 78.4  | 101.5   | 101.9  | 101.1   | 100.3  | 107.4   | 94.4  |  |  |
| Aug   | 98.1   | 72.7  | 100.9   | 101.7  | 101.5   | 99.0   | 107.6   | 93.1  |  |  |
| Sep   | 98.6   | 78.1  | 101.7   | 101.3  | 102.6   | 98.9   | 107.1   | 94.3  |  |  |
| Oct   | 97.6   | 76.5  | 99.1  | 100.6  | 101.1   | 98.8   | 105.6   | 93.1  |  |  |

1 The figures contain, where appropriate, an adjustment for stock changes.

Source: Office for National Statistics; Enquiries 01633 812059



## Index of output of the production industries By broad industry group

#### Engineering and construction : output and orders 5.2

Seasonally adjusted Index numbers at constant prices<sup>1</sup>

| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$  |           | Engineering (2000 =100)        |                            |                   |                                |                            |                   |                                |                            |                   |                               | Construction(GB)<br>(2000=100) |  |
|--|-----------|--------------------------------|----------------------------|-------------------|--------------------------------|----------------------------|-------------------|--------------------------------|----------------------------|-------------------|-------------------------------|--------------------------------|--|
| Orden <sup>2</sup> Nev2<br>Orden <sup>2</sup> Orden <sup>2</sup><br>Turnover         Orden <sup>2</sup><br>on Hand         Nev2<br>Orden <sup>2</sup> Orden <sup>2</sup><br>on Hand         Orden <sup>2</sup><br>on Hand         Orden <sup>2</sup><br>Orden <sup>2</sup> Nev2<br>Orden <sup>3</sup> Orden <sup>3</sup><br>on Hand         Orden <sup>3</sup><br>orden <sup>3</sup><br>orden <sup>3</sup> Orden <sup>3</sup><br>or |           |                                | Total                      |                   |                                | Home                       |                   |                                | Export                     |                   |                               |                                |  |
| Annual         JICI         <  |           | Orders <sup>2</sup><br>on Hand | New <sup>3</sup><br>Orders | Turnover          | Orders <sup>2</sup><br>on Hand | New <sup>3</sup><br>Orders | Turnover          | Orders <sup>2</sup><br>on Hand | New <sup>3</sup><br>Orders | Turnover          | Gross<br>output+ <sup>4</sup> | Orders received                |  |
| JIGI         JUCH         JUCL         JUCL         JUCL         JUCL         JUCL         STA         StA <thsta< th="">         StA         StA         S</thsta<>   | Annual    |                                |                            |                   |                                |                            |                   |                                |                            |                   |                               |                                |  |
| Abde         B2.3         C00.8         B2.4         C00.8         Str.8         T/21         C121         C121 <thc121< th="">         C121         C121         &lt;</thc121<>   | 0001      | JIQI                           | JIQH                       | JIQJ              | JIQC                           | JIQB                       | JIQD              | JIQF                           | JIQE                       | JIQG              | SFZX                          | SGAA                           |  |
| 2003<br>2004         227<br>89.3         78.3<br>82.1         81.6<br>103.7         87.9<br>87.9         00.2<br>89.3         65.6<br>10.8         70.8<br>70.8         70.3<br>70.6         111.7         177.8           Control           2001         104.4         102.1         104.4         102.1         104.4         102.1         104.4         102.1         104.4         102.1         104.4         102.1         104.6         103.2         91.3         91.3         91.9         94.5         101.3         96.6         102.1         103.6         103.5         <   | 2001      | 94.4                           | 89.5<br>80.8               | 95.3              | 104.6                          | 94.5<br>88.0               | 98.4              | 77.2                           | 82.9<br>71.2               | 91.2              | 102.0                         | 99.5<br>102.5                  |  |
| 2604         89.3         76.3         82.1         103.2         84.0 <sup>1</sup> 89.3 <sup>1</sup> 66.8 <sup>1</sup> 70.8         72.6         115.2         104.8           Courterly         2001         01         104.4         102.1         104.4         106.2         97.3         87.9         86.6         101.3         95.6         101.3         95.6         101.3         95.6         101.3         95.6         102.1         104.4         103.5         99.9         86.6         102.1         103.6         99.9         86.6         102.1         103.5         99.9         99.6         102.5         103.5         99.9         86.6         102.1         103.5         99.9         86.6         102.1         103.5         99.7         72.8         73.8         73.6         103.5         199.5         103.5         199.5         103.5         199.5         104.5         105.4         88.5         91.1         72.8         73.4         106.5         106.5         102.5           2003         91.7         79.7         83.8         90.7         83.8         90.4         89.3         73.6         106.5         102.5         103.5         90.5         73.2         114.4         92.7 <t< td=""><td>2002</td><td>92.7</td><td>78.9</td><td>81.6</td><td>104.0</td><td>87.9</td><td>90.2</td><td>65.5</td><td>66.8</td><td>74.0</td><td>111.7</td><td>97.8</td></t<>   | 2002      | 92.7                           | 78.9                       | 81.6              | 104.0                          | 87.9                       | 90.2              | 65.5                           | 66.8                       | 74.0              | 111.7                         | 97.8                           |  |
| Outletty         2001         104         102.1         104.4         102.1         104.7         106.2         102.7         104.7         101.3         102.8         101.4         101.2         101.4         101.2         101.4         101.2         101.4         101.2         101.4         101.2         101.4         101.2         101.5 <th< td=""><td>2004</td><td>89.3</td><td>78.3</td><td>82.1</td><td>103.2</td><td>84.0<sup>†</sup></td><td>89.3<sup>†</sup></td><td>65.8<sup>†</sup></td><td>70.8</td><td>72.6</td><td>115.2</td><td>104.8</td></th<>   | 2004      | 89.3                           | 78.3                       | 82.1              | 103.2                          | 84.0 <sup>†</sup>          | 89.3 <sup>†</sup> | 65.8 <sup>†</sup>              | 70.8                       | 72.6              | 115.2                         | 104.8                          |  |
| 2001 01         104.4         102.1         104.4         102.2         104.7         101.3         102.0         101.2         108.4           02         102.0         102.6         99.9         86.6         92.0         107.6         97.8         99.0         91.3         81.9         94.4         102.1         108.5         103.6           020         34.8         94.4         78.5         87.8         92.6         77.9         77.8         79.8         108.6         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.5         105.7         74.5         106.8         108.7         104.7         105.7         104.5         105.5         102.   | Quarterly |                                |                            |                   |                                |                            |                   |                                |                            |                   |                               |                                |  |
| $\begin{array}{cccccccccccccccccccccccccccccccccccc$   | 2001 Q1   | 104.4                          | 102.1                      | 104.4             | 106.2                          | 102.2                      | 104.7             | 101.3                          | 102.0                      | 104.2             | 101.2                         | 108.4                          |  |
| $ \begin{array}{cccccccccccccccccccccccccccccccccccc$  | Q2        | 102.0                          | 91.0                       | 97.1              | 108.2                          | 97.8                       | 99.0              | 91.3                           | 81.9                       | 94.5              | 101.3                         | 95.6                           |  |
| $ \begin{array}{cccccccccccccccccccccccccccccccccccc$  | Q3<br>Q4  | 99.9<br>94.4                   | 78.5                       | 92.0<br>87.8      | 107.6                          | 91.5<br>86.4               | 96.0<br>93.9      | 86.9<br>77.2                   | 79.9<br>67.8               | 86.6<br>79.6      | 102.1                         | 90.5                           |  |
| $ \begin{array}{c} 2002 & 0.2 & 0.32 & 0.4.7 & 105.4 & 0.6.5 & 0.5.7 & 7.8 & 0.4.5 & 100.4 & 100.5 \\ 0.4 & 0.2.7 & 79.5 & 83.6 & 104.4 & 90.4 & 91.7 & 72.6 & 77.7 & 74.8 & 106.8 & 109.2 \\ 0.4 & 0.2.7 & 79.5 & 83.6 & 104.8 & 85.5 & 91.1 & 72.1 & 71.3 & 73.6 & 106.5 & 102.5 \\ 0.03 & 91.7 & 79.7 & 81.5 & 104.9 & 88.9 & 90.4 & 69.3 & 67.4 & 66.7 & 104.7 \\ 0.2 & 91.7 & 79.7 & 81.5 & 104.9 & 88.9 & 90.4 & 69.3 & 67.4 & 66.7 & 104.7 \\ 0.3 & 91.5 & 78.7 & 81.6 & 106.0 & 88.1 & 90.2 & 66.8 & 66.0 & 70.2 & 113.5 & 98.0 \\ 0.4 & 92.7 & 80.8 & 82.2 & 108.7 & 89.3 & 89.3 & 66.5 & 66.5 & 72.6 & 114.4 & 92.7 \\ 0.2 & 92.7 & 78.9^{1} & 80.4^{1} & 108.7 & 83.3^{1} & 86.8^{1} & 68.4^{1} & 73.0^{1} & 72.1^{1} & 117.1 & 108.5 \\ 0.4 & 92.7 & 78.9 & 80.8 & 82.2 & 108.5^{1} & 82.6 & 88.9 & 69.3 & 73.0 & 73.9 & 114.2 & 106.2 \\ 0.2 & 92.7 & 78.5 & 82.5 & 106.5^{1} & 82.6 & 88.9 & 69.3 & 73.0 & 73.9 & 114.2 & 106.2 \\ 0.2 & 92.7 & 78.9 & 82.8 & 103.2 & 67.5 & 91.6 & 65.8 & 67.7 & 71.2 & 114.3 & 104.8 \\ 0.2 & 80.3 & 79.0 & 82.8 & 103.2 & 67.5 & 91.6 & 65.8 & 69.9 & 77.7 & 62.2 & 113.5 & 106.2 \\ 0.3 & 91.5 & 81.8 & 82.4 & 102.6 & 89.9 & 90.4 & 71.5 & 70.1 & 70.2 & 114.5 & 116.8 \\ 0.3 & 91.7 & 77.8 & 81.8 & 82.4 & 102.6 & 89.9 & 90.4 & 71.5 & 70.1 & 70.2 & 114.5 & 116.8 \\ 0.4 & 91.7 & 77.7 & 80.3 & 106.1 & 90.5 & 86.5 & 67.2 & 60.5 & 67.4 & & 100.7 \\ 0.4 & 93.3^{1} & 81.6^{1} & 80.2^{1} & 100.5 & 86.5 & 65.5 & 66.5 & 77.3 & 71.0 & & 111.1 \\ Aug & 91.7 & 77.4 & 80.3 & 106.1 & 90.5 & 88.8 & 66.8 & 67.0 & 77.4 & & 80.2 \\ 0.4 & 93.3 & 78.4 & 81.8 & 106.1 & 80.5 & 80.5 & 67.2 & 60.5 & 67.3 & 70.3 & & 102.7 \\ 0.4 & 93.3^{1} & 81.6^{1} & 80.2^{1} & 108.8^{1} & 64.5^{1} & 87.3^{1} & 66.8^{1} & 77.8^{1} & 70.8^{1} & & 90.2 \\ 0.4 & 91.0 & 84.6 & 81.3 & 100.1 & 95.5 & 88.8 & 66.8 & 67.6 & 77.3 & 71.0 & & 111.1 \\ Aug & 91.7 & 77.5 & 82.7 & 108.7 & 80.5 & 88.8 & 66.8 & 67.6 & 77.3 & & 102.7 \\ 0.4 & 92.7 & 80.2 & 80.7 & 108.7 & 89.9 & 67.8 & 67.5 & 77.4 & & 102.7 \\ 0.4 & 92.7 & 80.2 & 83.7 & 106.5 & 89.7 & 90.5 & 69.3 & 77.5 & 74.6 & .$   | 2002 01   | 04.0                           | 01 5                       | 95.0              | 105.0                          | 07.0                       | 02.1              | 77.0                           | 70.0                       | 76.0              | 105.2                         | 107.6                          |  |
| Cost         State         Off.         Pit.         Pit. <t< td=""><td>2002 Q1</td><td>94.9</td><td>80.4</td><td>84.7</td><td>105.0</td><td>89.3</td><td>92.1</td><td>73.8</td><td>73.2<br/>68.5</td><td>76.2</td><td>105.3</td><td>90.7</td></t<>   | 2002 Q1   | 94.9                           | 80.4                       | 84.7              | 105.0                          | 89.3                       | 92.1              | 73.8                           | 73.2<br>68.5               | 76.2              | 105.3                         | 90.7                           |  |
| $ \begin{array}{cccccccccccccccccccccccccccccccccccc$  | Q3        | 93.8                           | 81.8                       | 84.4              | 106.4                          | 89.4                       | 91.7              | 72.6                           | 71.7                       | 74.8              | 106.8                         | 109.2                          |  |
| 2003 Q1         90.9         76.4         81.1         100.4         85.3         90.7         69.8         64.4         68.5         100.7         110.4         95.0           Q2         91.7         73.7         81.5         104.9         88.9         90.4         69.3         67.4         69.7         110.4         95.8           Q4         92.7         80.8         82.2         100.7         89.3         65.6         69.5         72.6         111.4         92.7           Q4         92.7         78.5         82.5         106.5         82.6         89.7         63.5         73.0         73.9         114.2         106.2           Q3         93.3         79.0         82.8         103.2         87.5         91.6         65.8         67.7         71.2         114.3         104.8           Q06 Q1         89.4         78.4         81.7         100.5         86.3         90.7         72.6         70.8         71.4         115.0         117.1           Monthly         91.5         81.8         82.4         102.6         89.9         90.7         72.6         70.8         71.0          111.1.1         110.7         114.5  | Q4        | 92.7                           | 79.5                       | 83.6              | 104.8                          | 85.5                       | 91.1              | 72.1                           | 71.3                       | 73.6              | 108.5                         | 102.5                          |  |
| $\begin{array}{cccccccccccccccccccccccccccccccccccc$   | 2003 Q1   | 90.9                           | 76.4                       | 81.1              | 103.4                          | 85.3                       | 90.7              | 69.8                           | 64.4                       | 68.5              | 108.7                         | 104.7                          |  |
| $ \begin{array}{cccccccccccccccccccccccccccccccccccc$  | Q2        | 91.7                           | 79.7                       | 81.5              | 104.9                          | 88.9                       | 90.4              | 69.3                           | 67.4                       | 69.7              | 110.4                         | 95.8                           |  |
| $\begin{array}{cccccccccccccccccccccccccccccccccccc$   | Q3        | 91.5                           | 78.7                       | 81.6              | 106.0                          | 88.1                       | 90.2              | 66.8                           | 66.0                       | 70.2              | 113.5                         | 98.0                           |  |
| $ \begin{array}{cccccccccccccccccccccccccccccccccccc$  | Q4        | 92.7                           | 80.8                       | 82.2              | 108.7                          | 89.3                       | 89.3              | 65.5                           | 69.5                       | 72.6              | 114.4                         | 92.7                           |  |
| $ \begin{array}{cccccccccccccccccccccccccccccccccccc$  | 2004 Q1   | 93.7                           | 78.9 <sup>†</sup>          | 80.4 <sup>†</sup> | 108.7                          | 83.3†                      | 86.8†             | 68.4 <sup>†</sup>              | 73.0 <sup>†</sup>          | 72.1 <sup>†</sup> | 117.1                         | 108.5                          |  |
| $ \begin{array}{cccccccccccccccccccccccccccccccccccc$  | Q2        | 92.7 <sup>T</sup>              | 78.5                       | 82.5              | 106.5 <sup>T</sup>             | 82.6                       | 88.9              | 69.3                           | 73.0                       | 73.9              | 114.2                         | 106.2                          |  |
| U4         89.3         79.0         82.8         103.2         87.5         91.6         65.8         67.7         71.2         114.3         104.3           2005 Q1         89.4         78.4         81.0         100.9         83.4         89.8         69.9         71.7         69.2         113.9 <sup>†</sup> 106.5           Q3         91.5         81.8         82.4         102.6         89.9         90.7         72.6         70.8         71.4         115.0         107.1 <sup>†</sup> Monthly         2003 Jul         91.7         77.7         80.3         106.1         87.0         91.6         68.6         67.3         70.3          101.1           Aug         91.7         77.7         80.3         106.1         90.5         88.5         67.2         60.5         69.4          80.7           Oct         92.3         82.6         82.5         107.3         92.1         90.7         66.8         67.3         70.3          102.7           Dec         92.7         75.3         82.7         108.7         80.2         88.5         66.5         66.7         74.9          88.2   | Q3        | 90.3                           | 77.0                       | 82.5              | 103.7                          | 82.6                       | 89.7              | 67.5                           | 69.5                       | 73.2              | 115.1                         | 99.8                           |  |
| 2005 01<br>02         89.4<br>91.5         78.4<br>81.8         81.0<br>82.4         100.9<br>102.6         83.4<br>89.9         89.0<br>90.7         71.5<br>72.6         70.7<br>70.8         71.4         113.9 <sup>T</sup><br>115.0         106.5<br>106.5           Monthly           81.8         82.4         102.6         89.9         90.7         72.6         70.8         71.4         115.0         107.1 <sup>T</sup> Monthly            89.9         90.7         72.6         70.3         71.0          111.1           Aug         91.7         79.9         82.8         104.7         87.0         91.6         60.6         67.3         70.3          102.1           Cit         92.3         82.6         82.5         107.3         92.1         90.7         66.8         67.3         70.3          102.7           Dec         92.7         75.3         82.7         108.7         80.2         88.5         66.5         66.7         74.9          88.2           2004         Jan         80.2 <sup>t</sup> 108.8 <sup>t</sup> 84.5 <sup>t</sup> 87.3         66.5 <sup>t</sup> 67.7         74.9          88.2           <  | Q4        | 89.3                           | 79.0                       | 82.8              | 103.2                          | 87.5                       | 91.6              | 65.8                           | 67.7                       | /1.2              | 114.3                         | 104.8                          |  |
| $\begin{array}{cccccccccccccccccccccccccccccccccccc$   | 2005 Q1   | 89.4                           | 78.4                       | 81.0              | 100.9                          | 83.4                       | 89.8              | 69.9                           | 71.7                       | 69.2              | 113.9 <sup>†</sup>            | 106.5                          |  |
| UGS         91.5         61.6         62.4         102.5         69.9         90.7         72.5         70.5         71.4         115.0         107.1           Monthly         2003 Jul         91.7         79.9         82.8         104.7         87.0         91.6         69.6         70.3         71.0          111.1           Aug         91.7         77.7         80.3         106.1         90.5         88.5         67.2         60.5         69.4          80.7           Sep         91.5         78.4         81.8         106.0         86.7         90.7         66.8         67.3         70.3          102.7           Dec         92.7         75.3         82.7         108.7         80.2         88.5         65.5         68.7         74.9          88.2           2004 Jan         93.9 <sup>†</sup> 81.6 <sup>†</sup> 80.2 <sup>†</sup> 108.6 <sup>†</sup> 84.5 <sup>†</sup> 87.3 <sup>†</sup> 68.6 <sup>†</sup> 77.8 <sup>†</sup> 70.8 <sup>†</sup> 109.2           Apr         92.0         72.4         81.1         108.7         89.9         75.7         72.9          109.2           Apr         92.  | Q2        | 89.7                           | 79.3                       | 81.7              | 100.5                          | 86.3                       | 90.4              | /1.5                           | 70.1                       | 70.2              | 114.5                         | 115.8                          |  |
| Monthly         2003 Jul         91.7         79.9         82.8         104.7         87.0         91.6         69.6         70.3         71.0          111.1           Aug         91.7         77.7         80.3         106.1         90.5         88.5         67.2         60.5         69.4          102.3           Oct         92.3         82.6         82.5         107.3         92.1         90.7         66.8         69.8         71.6          87.3           Dec         92.7         75.3         82.7         108.7         80.2         88.5         65.5         68.7         74.9          88.2           2004 Jan         93.9 <sup>†</sup> 81.6 <sup>†</sup> 80.2 <sup>†</sup> 108.8 <sup>†</sup> 84.5 <sup>†</sup> 67.3 <sup>†</sup> 68.6 <sup>†</sup> 77.8 <sup>†</sup> 70.8 <sup>†</sup> 90.2           Feb         91.6         69.2         80.0         106.6         72.6         84.6         66.2         64.7         73.7         73.9          109.2           Apr         92.9         83.0         82.6         105.7         88.2         89.0         71.1         75.9          103.4         10   | Q3        | 91.5                           | 81.8                       | 82.4              | 102.6                          | 89.9                       | 90.7              | 72.0                           | 70.8                       | / 1.4             | 115.0                         | 107.1                          |  |
| 2003 Jul       91.7       79.9       82.8       104.7       87.0       91.6       69.6       70.3       71.0        111.1         Aug       91.7       77.7       80.3       106.1       90.5       88.5       67.2       60.5       69.4        80.7         Oct       92.3       82.6       82.5       107.3       92.1       90.7       66.8       69.8       71.6        87.3         Nov       94.0       84.6       61.3       110.9       55.5       88.8       66.5       68.7       74.9        88.2         2004 Jan       93.9 <sup>†</sup> 81.6 <sup>†</sup> 80.2 <sup>†</sup> 108.8 <sup>†</sup> 84.5 <sup>†</sup> 67.3 <sup>†</sup> 66.6 <sup>†</sup> 77.8 <sup>†</sup> 70.8 <sup>†</sup> 90.2         Feb       91.6       69.2       80.0       106.6       72.6       84.6       66.4 <sup>†</sup> 77.8 <sup>†</sup> 70.8 <sup>†</sup> 102.4         Mar       93.7       85.8       81.1       105.7       88.2       89.0       71.1       75.9       72.9        103.4         May       92.9       83.0       82.6       105.7       88.2       89.0       71.1   | Monthly   |                                |                            |                   |                                |                            |                   |                                |                            |                   |                               |                                |  |
| Aug       91.7       77.7       80.3       106.1       90.5       88.5       67.2       60.5       69.4        80.7         Sep       91.5       78.4       81.8       106.0       86.7       90.5       66.8       67.3       70.3        102.3         Oct       92.3       82.6       82.5       107.3       92.1       90.7       66.8       69.8       71.6        87.3         Nov       94.0       84.6       81.3       110.0       95.5       88.5       65.5       68.7       74.9        88.2         2004 Jan       93.9 <sup>†</sup> 81.6 <sup>†</sup> 80.2 <sup>†</sup> 108.7       84.5 <sup>†</sup> 87.3 <sup>†</sup> 68.6 <sup>†</sup> 77.8 <sup>†</sup> 70.8 <sup>†</sup> 90.2         Feb       91.6       69.2       80.0       106.6       72.6       84.6       66.4       76.4       71.5        100.2         Apr       92.0       72.4       81.1       105.0       69.9       87.3       69.9       75.7       72.9        103.4         May       92.9       83.0       82.6       105.5       89.7       90.5       69.3       67.5       <  | 2003 Jul  | 91.7                           | 79.9                       | 82.8              | 104.7                          | 87.0                       | 91.6              | 69.6                           | 70.3                       | 71.0              |                               | 111.1                          |  |
| Sep       91.5       78.4       81.8       106.0       86.7       90.5       66.8       67.3       70.3        102.3         Nov       94.0       84.6       81.3       110.0       95.5       88.8       66.9       70.0       71.4        102.7         Dec       92.7       75.3       82.7       108.7       80.2       88.5       65.5       68.7       74.9        88.2         2004 Jan       93.9 <sup>†</sup> 81.6 <sup>†</sup> 80.2 <sup>†</sup> 108.8 <sup>†</sup> 84.5 <sup>†</sup> 87.3 <sup>†</sup> 68.6 <sup>†</sup> 77.8 <sup>†</sup> 70.8 <sup>‡</sup> 90.2         Peb       91.6       69.2       80.0       106.6       72.6       84.6       66.2       64.7       73.9        109.2         Apr       92.0       72.4       81.1       105.0       69.9       87.3       69.9       75.7       72.9        103.4         Jun       92.7       80.2       83.7       106.5       89.7       90.5       69.3       67.5       74.4        103.9         Jul       93.0       81.8       83.3       107.2       89.5       90.4       69.0       71.3   | Aug       | 91.7                           | 77.7                       | 80.3              | 106.1                          | 90.5                       | 88.5              | 67.2                           | 60.5                       | 69.4              |                               | 80.7                           |  |
| Oct         32.3         82.6         62.5         107.3         92.1         90.7         66.8         69.6         71.6          67.3           Dec         92.7         75.3         82.7         108.7         80.2         88.5         65.5         68.7         74.9          88.2           2004 Jan         93.9 <sup>†</sup> 81.6 <sup>†</sup> 80.2 <sup>†</sup> 108.8 <sup>†</sup> 84.5 <sup>†</sup> 87.3 <sup>†</sup> 68.6 <sup>†</sup> 77.8 <sup>†</sup> 70.8 <sup>†</sup> 128.1           Feb         91.6         69.2         80.0         106.6         72.6         84.6         66.2         64.7         73.9          128.1           Mar         93.7         85.8         81.1         105.0         69.9         87.3         69.9         75.7         72.9          109.2           Apr         92.0         72.4         81.1         105.5         89.7         90.5         69.3         67.5         74.6          103.9           Jul         93.0         81.8         83.3         107.2         89.5         90.4         69.0         71.3         74.1          100.5           Sep  | Sep       | 91.5                           | 78.4                       | 81.8              | 106.0                          | 86.7                       | 90.5              | 66.8                           | 67.3                       | 70.3              |                               | 102.3                          |  |
| Not         34.0         34.0         34.3         10.0         35.3         10.0         36.3         10.0         36.3         10.0         36.3         10.0         36.3         10.0         36.3         10.0         36.3         10.0         36.3         10.0         36.3         36.3         10.0   | Nov       | 92.3                           | 02.0<br>84.6               | 02.0<br>81.3      | 107.3                          | 92.1                       | 90.7              | 66.0                           | 70.0                       | 71.0              |                               | 07.3<br>102.7                  |  |
| 2004 Jan         93.9 <sup>†</sup> 81.6 <sup>†</sup> 80.2 <sup>†</sup> 108.8 <sup>†</sup> 84.5 <sup>†</sup> 87.3 <sup>†</sup> 68.6 <sup>†</sup> 77.8 <sup>†</sup> 70.8 <sup>†</sup> 90.2           Feb         91.6         69.2         80.0         106.6         72.6         84.6         66.2         64.7         73.9          126.1           Mar         93.7         85.8         81.1         108.7         92.9         88.4         68.4         76.4         71.5          109.2           May         92.9         83.0         82.6         105.7         88.2         89.0         71.1         75.9         74.3          111.3           Jun         92.7         80.2         83.7         106.5         89.7         90.5         69.3         67.5         74.6          103.9           Jul         93.0         81.8         83.3         107.2         89.5         90.4         69.0         71.3         74.1          109.5           Aug         90.9         71.5         81.6         104.5         74.3         87.9         67.8         67.8         73.3          100.6           Sep   | Dec       | 92.7                           | 75.3                       | 82.7              | 108.7                          | 80.2                       | 88.5              | 65.5                           | 68.7                       | 74.9              |                               | 88.2                           |  |
| Lot Att         B1.6         B9.2         B0.2   | 2004 Jan  | 93.97                          | 81.6 <sup>†</sup>          | 80.2              | 108.8                          | 84 5                       | 87.3 <sup>†</sup> | 68 6 <sup>†</sup>              | 77 8 <sup>†</sup>          | 70.8 <sup>†</sup> |                               | 90.2                           |  |
| Mar         93.7         85.8         81.1         108.7         92.9         88.4         68.4         76.4         71.5          109.2           Apr         92.0         72.4         81.1         105.0         69.9         87.3         69.9         75.7         72.9          103.4           May         92.9         83.0         82.6         105.7         88.2         89.0         71.1         75.9         74.3          111.3           Jun         92.7         80.2         83.7         106.5         89.7         90.5         69.3         67.5         74.6          103.4           Aug         90.9         71.5         81.6         104.5         74.3         87.9         67.8         67.8         73.3          100.6           Sep         90.3         77.7         82.7         103.7         83.9         90.7         67.5         69.5         72.2          89.2           Oct         89.1         75.3         82.0         102.4         82.7         90.6         66.6         60.0         70.5          101.5           Dec         89.3   | Feb       | 91.6                           | 69.2                       | 80.0              | 106.6                          | 72.6                       | 84.6              | 66.2                           | 64.7                       | 73.9              |                               | 126.1                          |  |
| Apr       92.0       72.4       81.1       105.0       69.9       87.3       69.9       75.7       72.9        103.4         May       92.9       83.0       82.6       105.7       88.2       89.0       71.1       75.9       74.3        111.3         Jun       92.7       80.2       83.7       106.5       89.7       90.5       69.3       67.5       74.6        103.9         Jul       93.0       81.8       83.3       107.2       89.5       90.4       69.0       71.3       74.1        109.5         Aug       90.9       71.5       81.6       104.5       74.3       87.9       67.8       67.8       73.3        100.6         Sep       90.3       77.7       82.7       103.7       83.9       90.7       67.5       69.5       72.2        89.2         Oct       89.1       75.3       82.0       102.4       82.2       90.6       66.6       60.0       70.5        101.3         Nov       88.7       79.2       83.6       102.1       88.7       93.4       65.8       66.6       70.6  | Mar       | 93.7                           | 85.8                       | 81.1              | 108.7                          | 92.9                       | 88.4              | 68.4                           | 76.4                       | 71.5              |                               | 109.2                          |  |
| May       92.9       83.0       82.6       105.7       88.2       89.0       71.1       75.9       74.3        111.3         Jun       92.7       80.2       83.7       106.5       89.7       90.5       69.3       67.5       74.6        103.9         Jul       93.0       81.8       83.3       107.2       89.5       90.4       69.0       71.3       74.1        109.5         Aug       90.9       71.5       81.6       104.5       74.3       87.9       67.8       67.8       73.3        100.6         Sep       90.3       77.7       82.7       103.7       83.9       90.7       67.5       69.5       72.2        89.2         Oct       89.1       75.3       82.0       102.4       82.2       90.6       66.6       66.0       70.6        107.6         Dec       89.3       82.5       82.9       103.2       91.5       90.9       65.8       70.4       72.4        105.5         2005 Jan       89.5       79.6       81.5       103.1       83.7       91.0       66.2       71.5       69.0 <t< td=""><td>Apr</td><td>92.0</td><td>72.4</td><td>81.1</td><td>105.0</td><td>69.9</td><td>87.3</td><td>69.9</td><td>75.7</td><td>72.9</td><td></td><td>103.4</td></t<>  | Apr       | 92.0                           | 72.4                       | 81.1              | 105.0                          | 69.9                       | 87.3              | 69.9                           | 75.7                       | 72.9              |                               | 103.4                          |  |
| Jun       92.7       80.2       83.7       106.5       89.7       90.5       69.3       67.5       74.6        103.9         Jul       93.0       81.8       83.3       107.2       89.5       90.4       69.0       71.3       74.1        109.5         Aug       90.9       71.5       81.6       104.5       74.3       87.9       67.8       67.8       73.3        100.6         Sep       90.3       77.7       82.7       103.7       83.9       90.7       67.5       69.5       72.2        89.2         Oct       89.1       75.3       82.0       102.4       82.2       90.6       66.6       60.6       70.5        101.3         Nov       88.7       79.2       83.6       102.1       88.7       93.4       65.8       66.6       70.6        103.5         2005 Jan       89.5       79.6       81.5       104.1       90.9       91.0       64.8       64.4       69.0        103.5         Feb       89.4       78.5       81.5       103.1       83.7       91.0       66.2       71.5       69.0 <t< td=""><td>May</td><td>92.9</td><td>83.0</td><td>82.6</td><td>105.7</td><td>88.2</td><td>89.0</td><td>71.1</td><td>75.9</td><td>74.3</td><td></td><td>111.3</td></t<>  | May       | 92.9                           | 83.0                       | 82.6              | 105.7                          | 88.2                       | 89.0              | 71.1                           | 75.9                       | 74.3              |                               | 111.3                          |  |
| Jul         93.0         81.8         83.3         107.2         89.5         90.4         69.0         71.3         74.1          109.5           Aug         90.9         71.5         81.6         104.5         74.3         87.9         67.8         67.8         73.3          100.6           Sep         90.3         77.7         82.7         103.7         83.9         90.7         67.5         69.5         72.2          89.2           Oct         89.1         75.3         82.0         102.4         82.2         90.6         66.6         66.0         70.5          101.3           Nov         88.7         79.2         83.6         102.1         88.7         93.4         65.8         66.6         70.6          105.5           2005 Jan         89.5         79.6         81.5         104.1         90.9         91.0         64.8         64.4         69.0          103.5           Feb         89.4         78.5         81.5         103.1         83.7         91.0         66.2         71.5         69.0          193.7           Mar         89.4         77   | Jun       | 92.7                           | 80.2                       | 83.7              | 106.5                          | 89.7                       | 90.5              | 69.3                           | 67.5                       | 74.6              |                               | 103.9                          |  |
| Aug       90.9       71.5       81.6       104.5       74.3       87.9       67.8       67.8       73.3        100.6         Sep       90.3       77.7       82.7       103.7       83.9       90.7       67.5       69.5       72.2        89.2         Oct       89.1       75.3       82.0       102.4       82.2       90.6       66.6       66.0       70.5        101.3         Nov       88.7       79.2       83.6       102.1       88.7       93.4       65.8       66.6       70.6        107.6         Dec       89.3       82.5       82.9       103.2       91.5       90.9       65.8       70.4       72.4        105.5         2005 Jan       89.5       79.6       81.5       104.1       90.9       91.0       64.8       64.4       69.0        103.5         Feb       89.4       78.5       81.5       103.1       83.7       91.0       66.2       71.5       69.0        199.7         Mar       89.4       77.1       79.9       100.9       75.6       87.5       69.9       79.1       69.7 <t< td=""><td>Jul</td><td>93.0</td><td>81.8</td><td>83.3</td><td>107.2</td><td>89.5</td><td>90.4</td><td>69.0</td><td>71.3</td><td>74.1</td><td></td><td>109.5</td></t<>  | Jul       | 93.0                           | 81.8                       | 83.3              | 107.2                          | 89.5                       | 90.4              | 69.0                           | 71.3                       | 74.1              |                               | 109.5                          |  |
| Sep       90.3       77.7       82.7       103.7       83.9       90.7       67.5       69.5       72.2        89.2         Oct       89.1       75.3       82.0       102.4       82.2       90.6       66.6       66.0       70.5        101.3         Nov       88.7       79.2       83.6       102.1       88.7       93.4       65.8       66.6       70.6        107.6         Dec       89.3       82.5       82.9       103.2       91.5       90.9       65.8       70.4       72.4        105.5         2005 Jan       89.5       79.6       81.5       104.1       90.9       91.0       64.8       64.4       69.0        103.5         Feb       89.4       78.5       81.5       103.1       83.7       91.0       66.2       71.5       69.0        99.7         Mar       89.4       77.1       79.9       100.9       75.6       87.5       69.9       79.1       69.7        116.4         Apr       88.8       77.9       82.7       102.1       91.8       90.7       66.3       59.4       72.1 <td< td=""><td>Aug</td><td>90.9</td><td>71.5</td><td>81.6</td><td>104.5</td><td>74.3</td><td>87.9</td><td>67.8</td><td>67.8</td><td>73.3</td><td></td><td>100.6</td></td<>   | Aug       | 90.9                           | 71.5                       | 81.6              | 104.5                          | 74.3                       | 87.9              | 67.8                           | 67.8                       | 73.3              |                               | 100.6                          |  |
| Nov       88.7       79.2       83.6       102.4       62.2       90.6       66.6       70.5        107.5         Dec       89.3       82.5       82.9       103.2       91.5       90.9       65.8       70.4       72.4        107.5         2005 Jan       89.5       79.6       81.5       104.1       90.9       91.0       64.8       64.4       69.0        103.5         Feb       89.4       78.5       81.5       103.1       83.7       91.0       66.2       71.5       69.0        99.7         Mar       89.4       77.1       79.9       100.9       75.6       87.5       69.9       79.1       69.7        116.4         Apr       88.8       77.9       82.7       102.1       91.8       90.7       66.3       59.4       72.1        106.7         May       89.5       80.6       81.0       101.1       82.3       89.6       69.7       78.3       69.7        128.6         Jun       89.7       79.5       81.3       100.5       84.7       90.8       71.5       72.6       68.7 <td< td=""><td>Sep</td><td>90.3</td><td>71.7</td><td>82.7</td><td>103.7</td><td>83.9</td><td>90.7</td><td>67.5</td><td>69.5</td><td>72.2</td><td></td><td>89.2</td></td<>  | Sep       | 90.3                           | 71.7                       | 82.7              | 103.7                          | 83.9                       | 90.7              | 67.5                           | 69.5                       | 72.2              |                               | 89.2                           |  |
| Nov         30.1         70.2         30.3         102.1         30.4         30.4         30.5         103.1         103.7         10.0         65.8         70.4         72.4          105.5           2005 Jan         89.5         79.6         81.5         103.1         83.7         91.0         64.8         64.4         69.0          103.5           Feb         89.4         77.1         79.9         100.9         75.6         87.5         69.9         79.1         69.7          116.4           Apr         88.8         77.9         82.7         102.1         91.8         90.7         66.3         59.4         72.1          106.7           May         89.5         80.6         81.0         101.1         82.3         89.6         69.7 <td< td=""><td>Nov</td><td>88.7</td><td>75.3</td><td>02.0<br/>83.6</td><td>102.4</td><td>02.2<br/>88.7</td><td>90.6</td><td>65.8</td><td>66.6</td><td>70.5</td><td></td><td>101.3</td></td<>  | Nov       | 88.7                           | 75.3                       | 02.0<br>83.6      | 102.4                          | 02.2<br>88.7               | 90.6              | 65.8                           | 66.6                       | 70.5              |                               | 101.3                          |  |
| 2005 Jan         89.5         79.6         81.5         104.1         90.9         91.0         64.8         64.4         69.0          103.5           Feb         89.4         78.5         81.5         103.1         83.7         91.0         66.2         71.5         69.0          99.7           Mar         89.4         77.1         79.9         100.9         75.6         87.5         69.9         79.1         69.7          116.4           Apr         88.8         77.9         82.7         102.1         91.8         90.7         66.3         59.4         72.1          106.7           May         89.5         80.6         81.0         101.1         82.3         89.6         69.7         78.3         69.7          128.6           Jun         89.7         79.5         81.3         100.5         84.7         90.8         71.5         72.6         68.7          128.6           Jun         89.9         79.4         81.3         100.1         85.1         90.0         72.7         71.7         69.8          104.4           Aug         92.0  | Dec       | 89.3                           | 82.5                       | 82.9              | 103.2                          | 91.5                       | 90.9              | 65.8                           | 70.4                       | 70.0              |                               | 107.0                          |  |
| Feb         89.4         78.5         81.5         103.1         83.7         91.0         66.2         71.5         69.0          99.7           Mar         89.4         77.1         79.9         100.9         75.6         87.5         69.9         79.1         69.7          116.4           Apr         88.8         77.9         82.7         102.1         91.8         90.7         66.3         59.4         72.1          106.7           May         89.5         80.6         81.0         101.1         82.3         89.6         69.7         78.3         69.7          128.6           Jun         89.7         79.5         81.3         100.5         84.7         90.8         71.5         72.6         68.7          112.1           Jul         89.9         79.4         81.3         100.1         85.1         90.0         72.7         71.7         69.8          104.4           Aug         92.0         87.0         82.6         102.9         98.5         91.4         73.5         71.6         71.0          114.3 <sup>†</sup> Sep         91.5         <  | 2005 Jan  | 89.5                           | 79.6                       | 81.5              | 104 1                          | 90.9                       | 91.0              | 64 8                           | 64 4                       | 69.0              |                               | 103.5                          |  |
| Mar         89.4         77.1         79.9         100.9         75.6         87.5         69.9         79.1         69.7          116.4           Apr         88.8         77.9         82.7         102.1         91.8         90.7         66.3         59.4         72.1          106.7           May         89.5         80.6         81.0         101.1         82.3         89.6         69.7         78.3         69.7          128.6           Jun         89.7         79.5         81.3         100.5         84.7         90.8         71.5         72.6         68.7          112.1           Jul         89.9         79.4         81.3         100.1         85.1         90.0         72.7         71.7         69.8          104.4           Aug         92.0         87.0         82.6         102.9         98.5         91.4         73.5         71.6         71.0          114.3 <sup>†</sup> Sep         91.5         78.9         83.3         102.6         86.2         90.8         72.6         69.0         73.3          102.4           Oct         92.4         81.   | Feb       | 89.4                           | 78.5                       | 81.5              | 103.1                          | 83.7                       | 91.0              | 66.2                           | 71.5                       | 69.0              |                               | 99.7                           |  |
| Apr         88.8         77.9         82.7         102.1         91.8         90.7         66.3         59.4         72.1          106.7           May         89.5         80.6         81.0         101.1         82.3         89.6         69.7         78.3         69.7          128.6           Jun         89.7         79.5         81.3         100.5         84.7         90.8         71.5         72.6         68.7          112.1           Jul         89.9         79.4         81.3         100.1         85.1         90.0         72.7         71.7         69.8          104.4           Aug         92.0         87.0         82.6         102.9         98.5         91.4         73.5         71.6         71.0          114.3 <sup>†</sup> Sep         91.5         78.9         83.3         102.6         86.2         90.8         72.6         69.0         73.3          102.7           Oct         92.4         81.2         80.7         103.9         92.4         91.0         72.9         66.2         67.2          102.7  | Mar       | 89.4                           | 77.1                       | 79.9              | 100.9                          | 75.6                       | 87.5              | 69.9                           | 79.1                       | 69.7              |                               | 116.4                          |  |
| May         89.5         80.6         81.0         101.1         82.3         89.6         69.7         78.3         69.7          128.6           Jun         89.7         79.5         81.3         100.5         84.7         90.8         71.5         72.6         68.7          112.1           Jul         89.9         79.4         81.3         100.1         85.1         90.0         72.7         71.7         69.8          104.4           Aug         92.0         87.0         82.6         102.9         98.5         91.4         73.5         71.6         71.0          114.3 <sup>†</sup> Sep         91.5         78.9         83.3         102.6         86.2         90.8         72.6         69.0         73.3          102.7           Oct         92.4         81.2         80.7         103.9         92.4         91.0         72.9         66.2         67.2          120.1   | Apr       | 88.8                           | 77.9                       | 82.7              | 102.1                          | 91.8                       | 90.7              | 66.3                           | 59.4                       | 72.1              |                               | 106.7                          |  |
| Jun         cs.7         79.5         81.3         100.5         84.7         90.8         71.5         72.6         68.7          112.1           Jul         89.9         79.4         81.3         100.1         85.1         90.0         72.7         71.7         69.8          104.4           Aug         92.0         87.0         82.6         102.9         98.5         91.4         73.5         71.6         71.0          114.3 <sup>†</sup> Sep         91.5         78.9         83.3         102.6         86.2         90.8         72.6         69.0         73.3          102.7           Oct         92.4         81.2         80.7         103.9         92.4         91.0         72.9         66.2         67.2          120.1  | May       | 89.5                           | 80.6                       | 81.0              | 101.1                          | 82.3                       | 89.6              | 69.7                           | 78.3                       | 69.7              |                               | 128.6                          |  |
| Jul         89.9         79.4         81.3         100.1         85.1         90.0         72.7         71.7         69.8          104.4           Aug         92.0         87.0         82.6         102.9         98.5         91.4         73.5         71.6         71.0          114.3 <sup>†</sup> Sep         91.5         78.9         83.3         102.6         86.2         90.8         72.6         69.0         73.3          102.7           Oct         92.4         81.2         80.7         103.9         92.4         91.0         72.9         66.2         67.2          120.7   | Jun       | 89.7                           | 79.5                       | 81.3              | 100.5                          | 84.7                       | 90.8              | /1.5                           | /2.6                       | 68.7              |                               | (12.1                          |  |
| Aug         92.0         67.0         62.0         102.9         96.5         91.4         73.5         71.6         71.0          114.3'           Sep         91.5         78.9         83.3         102.6         86.2         90.8         72.6         69.0         73.3          102.7           Oct         92.4         81.2         80.7         103.9         92.4         91.0         72.9         66.2         67.2          120.1  | Jul       | 89.9                           | 79.4                       | 81.3              | 100.1                          | 85.1                       | 90.0              | 72.7                           | 71.7                       | 69.8              |                               | 104.4                          |  |
| Oct 92.4 81.2 80.7 103.9 92.4 91.0 72.9 66.2 67.2 120.1  | Aug       | 92.U<br>01 F                   | 07.U<br>79.0               | 0∠.0<br>2.2.3     | 102.9                          | 90.0<br>86 0               | 91.4<br>00.8      | 73.5<br>72.6                   | 0.0                        | / 1.U<br>72 2     |                               | 114.3'                         |  |
|  | Oct       | 92.4                           | 81.2                       | 80.7              | 102.0                          | 92.4                       | 91.0              | 72.9                           | 66.2                       | 67.2              |                               | 120.1                          |  |

1 The figures shown represent the output of United Kingdom based manufacturers classified to Subsections DK and DL of the Standard Industrial Classification (2003).2 For Orders on Hand, the annual and quarterly index values represent the

3 Net of cancellations.
4 This index is based upon a gross output series which includes repair and maintenance estimates, unrecorded output by self-employed workers and small firms and output by the direct labour departments of the public sector. methodeland

value at the end of the period in question, rather than the average value for that period, so the annual value shown for 2000 may not equal 100.

dology. Sources: Office for National Statistics; Enquiries Columns 1-9 01633 812540; Department of Trade and Industry;

Enquiries Columns 10-11 020 7944 5583



# **5.3** Motor vehicle and steel production

|           |                                    | Passeng                                      | er cars <sup>1</sup>               |  |                                    |  |                                    |  |  |
|-----------|------------------------------------|--|------------------------------------|--|------------------------------------|--|------------------------------------|--|--|
|           | Not season                         | ally adjusted                                | Seasonall                          | y adjusted                                   | Not season                         | ally adjusted                                | Seasonall                          | y adjusted                                   | Crude steel                                |
|           | Total<br>production<br>(thousands) | <i>of which</i><br>for export<br>(thousands) | (NSA) <sup>2</sup><br>(thousand<br>tonnes) |
| Annual    | (                                  | (  | (                                  | ()   | ()                                 | (  | (                                  | (  |  |
|           | FFAA                               | FFAB   | FFAO                               | FFAP   | FFAC                               | FFAD   | FFAQ                               | FFAR   | BCBS                                       |
| 2001      | 124.4                              | 74.5   | 124.4                              | 74.5   | 16.1                               | 8.0  | 16.1                               | 8.0  | 13 542.7                                   |
| 2002      | 135.7                              | 87.3   | 135.8                              | 87.3   | 15.9                               | 9.5  | 15.9                               | 9.5  | 11 667.1                                   |
| 2003      | 138.1                              | 95.3   | 138.1                              | 95.3   | 15.7                               | 8.6  | 15.7                               | 8.6  | 13 128.4                                   |
| 2004      | 137.2                              | 98.3   | 137.2                              | 98.3   | 17.4                               | 10.7   | 17.4                               | 10.7   | 13 765.8                                   |
| Quarterly |                                    |  |                                    |  |                                    |  |                                    |  |  |
| 2001 Q1   | 129.0                              | 75.5   | 119.5                              | 73.3   | 17.2                               | 6.6  | 15.5                               | 6.1  | 3 651.7                                    |
| Q2        | 124.1                              | 76.5   | 120.1                              | 71.3   | 16.6                               | 7.7  | 15.6                               | 7.2  | 3 729.6                                    |
| Q3        | 111.9                              | 61.0   | 124.8                              | 76.1   | 14.5                               | 7.4  | 17.9                               | 9.3  | 3 205.5                                    |
| Q4        | 132.4                              | 85.1   | 133.1                              | 77.4   | 16.1                               | 10.3   | 15.3                               | 9.5  | 2 955.9                                    |
| 2002 Q1   | 149.9                              | 85.0   | 139.4                              | 83.5   | 16.7                               | 8.4  | 15.3                               | 8.0  | 3 046.3                                    |
| Q2        | 133.5                              | 94.0   | 126.6                              | 84.7   | 14.8                               | 9.4  | 14.4                               | 8.9  | 3 060.0                                    |
| Q3        | 130.6                              | 80.7   | 147.0                              | 97.1   | 14.9                               | 9.3  | 17.4                               | 10.8   | 2 801.9                                    |
| Q4        | 128.7                              | 89.3   | 130.3                              | 83.7   | 17.3                               | 10.9   | 16.7                               | 10.3   | 2 758.9                                    |
| 2003 Q1   | 141.4                              | 91.5   | 129.8                              | 86.4   | 16.5                               | 9.3  | 15.2                               | 9.0  | 3 081.0                                    |
| Q2        | 144.4                              | 101.3  | 139.1                              | 94.8   | 15.5                               | 8.3  | 15.0                               | 8.0  | 3 258.7                                    |
| Q3        | 130.4                              | 85.8   | 144.8                              | 101.0  | 13.4                               | 6.9  | 15.5                               | 8.1  | 3 264.3                                    |
| Q4        | 136.2                              | 102.7  | 138.8                              | 99.1   | 17.6                               | 9.7  | 17.2                               | 9.2  | 3 524.4                                    |
| 2004 Q1   | 148.5                              | 101.2  | 136.8                              | 96.3   | 19.3                               | 10.4   | 17.9                               | 10.1   | 3 380.7                                    |
| Q2        | 142.7                              | 102.3  | 137.5                              | 96.0   | 16.9                               | 11.2   | 16.5                               | 10.7   | 3 681.4                                    |
| Q3        | 126.3                              | 88.3   | 137.9                              | 100.7  | 15.6                               | 9.7  | 18.0                               | 11.1   | 3 405.2                                    |
| Q4        | 131.4                              | 101.5  | 136.7                              | 100.1  | 17.9                               | 11.4   | 17.4                               | 10.8   | 3 298.5                                    |
| 2005 Q1   | 144.3                              | 99.1   | 138.4                              | 99.6   | 18.4                               | 11.3   | 17.1                               | 10.7   | 3 310.9                                    |
| Q2        | 138.7                              | 105.3  | 131.7                              | 97.0   | 18.2                               | 10.7   | 18.1                               | 10.4   | 3 523.8                                    |
| Q3        | 125.7                              | 91.5   | 138.9 <sup>†</sup>                 | 104.9  | 14.9                               | 9.2  | 17.7                               | 11.0 <sup>†</sup>                            | 3 119.3 <sup>†</sup>                       |
| Monthly   |                                    |  |                                    |  |                                    |  |                                    |  |  |
| 2003 Jul  | 146.3                              | 93.1   | 144.1                              | 98.3   | 15.2                               | 7.6  | 16.6                               | 8.4  | 1 245.8*                                   |
| Aug       | 91.4                               | 57.5   | 145.0                              | 100.4  | 7.8                                | 3.8  | 14.9                               | 7.6  | 977.8                                      |
| Sep       | 153.5                              | 106.8  | 145.3                              | 104.3  | 17.1                               | 9.2  | 15.0                               | 8.3  | 1 040.7                                    |
| Oct       | 153.4                              | 113.8  | 138.6                              | 96.8   | 16.8                               | 9.5  | 15.4                               | 8.6  | 1 198.0*                                   |
| Nov       | 142.9                              | 110.5  | 134.8                              | 99.3   | 19.0                               | 9.8  | 17.2                               | 9.5  | 1 117.8                                    |
| Dec       | 112.4                              | 83.8   | 142.9                              | 101.1  | 17.0                               | 9.9  | 19.0                               | 9.6  | 1 208.6*                                   |
| 2004 Jan  | 141.3                              | 96.4   | 138.7                              | 97.9   | 20.5                               | 9.6  | 19.6                               | 11.0   | 1 009.3                                    |
| Feb       | 141.1                              | 93.0   | 131.9                              | 92.2   | 17.3                               | 10.0   | 16.4                               | 9.9  | 1 024.9                                    |
| Mar       | 163.1                              | 114.3  | 139.7                              | 98.8   | 20.2                               | 11.7   | 17.7                               | 9.3  | 1 346.5*                                   |
| Apr       | 129.6                              | 95.7   | 136.6                              | 98.1   | 15.7                               | 10.1   | 16.0                               | 10.2   | 1 155.5                                    |
| May       | 143.1                              | 102.3  | 139.3                              | 92.9   | 16.9                               | 11.9   | 17.4                               | 11.5   | 1 160.7                                    |
| Jun       | 155.5                              | 108.9  | 136.7                              | 97.1   | 18.2                               | 11.6   | 16.2                               | 10.5   | 1 365.2*                                   |
| Jul       | 140.5                              | 100.5  | 145.2                              | 107.4  | 14.9                               | 10.1   | 16.7                               | 11.3   | 1 042.6                                    |
| Aug       | 83.2                               | 56.7   | 132.5                              | 97.2   | 10.2                               | 5.7  | 18.1                               | 9.8  | 1 015.8                                    |
| Sep       | 155.3                              | 107.6  | 136.0                              | 97.6   | 21.7                               | 13.3   | 19.1                               | 12.2   | 1 346.8 <sup>*</sup>                       |
| Oct       | 135.1                              | 107.2  | 134.1                              | 102.0  | 18.6                               | 12.2   | 18.1                               | 11.4   | 1 091.5                                    |
| Nov       | 149.3                              | 114.4  | 140.4                              | 102.1  | 20.1                               | 12.3   | 17.0                               | 10.3   | 1 001.4                                    |
| Dec       | 109.7                              | 82.8   | 135.7                              | 96.3   | 14.9                               | 9.7  | 17.0                               | 10.6   | 1 205.6*                                   |
| 2005 Jan  | 136.0                              | 89.2   | 137.0                              | 95.1   | 17.7                               | 10.7   | 17.0                               | 11.0   | 1 033.5                                    |
| Feb       | 143.5                              | 98.3   | 138.8                              | 100.6  | 18.0                               | 10.7   | 17.2                               | 10.5   | 1 016.8                                    |
| Mar       | 153.3                              | 109.9  | 139.4                              | 103.1  | 19.6                               | 12.6   | 17.2                               | 10.5   | 1 260.6 <sup>*</sup>                       |
| Apr       | 139.8                              | 105.1  | 140.1                              | 100.3  | 18.9                               | 11.4   | 20.1                               | 11.9   | 1 161.8                                    |
| May       | 132.0                              | 99.1   | 130.2                              | 94.3   | 17.5                               | 10.7   | 17.9                               | 10.1   | 1 147.5                                    |
| Jun       | 144.3                              | 111.7  | 124.9                              | 96.5   | 18.3                               | 10.0   | 16.3                               | 9.3  | 1 214.5*                                   |
| Jul       | 130.2                              | 93.8   | 134.7                              | 99.9   | 14.2                               | 8.5  | 17.3                               | 10.4   | 966.4                                      |
| Aug       | 97.1                               | 71.8   | 146.0                              | 114.2  | 10.8                               | 6.8  | 18.2                               | 11.2   | 1 193.5 <sup>*T</sup>                      |
| Sep       | 149.9                              | 108.9  | 136.0                              | 100.6  | 19.7                               | 12.4   | 17.5                               | 11.3   | 959.4                                      |
| Oct       | 124.8                              | 99.4   | 126.0                              | 95.7   | 18.4                               | 12.4   | 16.9                               | 10.6   | 985.2                                      |
| Nov       | 149.7                              | 119.4  | 135.1                              | 104.1  | 20.0                               | 13.8   | 17.4                               | 11.8   | 1 252.5*3                                  |

 Annual and quarterly figures are monthly averages.
 The totals are for 'usable steel' in accordance with the system used by the EC and the IISI, **but** in a change from previous publications, figures are actual production totals based on a four or five week period (not seasonally edimeter) adjusted).

3 Provisional.

Sources: Office for National Statistics; Enquiries Columns 1-8 01633 812810; ISSB Ltd; Enquiries Column 9 020 7343 3900


# 5.4 Indicators of fixed investment in dwellings

|              | Fixed<br>investment in<br>dwellings Orders received                   |   | Hou                                  | using starts (NS<br>(GB)                                      | A) <sup>1</sup>                     | Housin                               | NSA) <sup>1</sup>   | Mix-adjusted                        |   |
|--------------|---|---|--------------------------------------|---|-------------------------------------|--------------------------------------|---|-------------------------------------|---|
|              | (£ million,<br>chained volume<br>measures,<br>reference year<br>2002) | by contractors<br>for new<br>houses (GB)<br>(£ million,<br>2000 prices) | Private<br>enterprise<br>(thousands) | Registered<br>Social<br>Landlords <sup>2</sup><br>(thousands) | Local<br>Authorities<br>(thousands) | Private<br>enterprise<br>(thousands) | Registered<br>Social<br>Landlords <sup>2</sup><br>(thousands) | Local<br>Authorities<br>(thousands) | dwellings at<br>mortgage<br>completion<br>stage<br>(NSA) <sup>3</sup> (£) |
| Annual       | DEEG  | SGAB  | FCAB                                 | CTOR  | стоу                                | FCAD                                 | стот  | стох                                | WMPS  |
| 2001         | 32 006  | 7 122   | 162.8                                | 16.8  | 0.3                                 | 139.9                                | 20.9  | 0.3                                 | 134 234   |
| 2002         | 34 499  | 7 805   | 164.6                                | 16.2  | 0.2                                 | 149.3 <sup>T</sup>                   | 19.3  | 0.2                                 | 161 533   |
| 2003<br>2004 | 36 056<br>38 879  | 8 219<br>9 472  | 177.5<br>194.3                       | 16.2<br>19.0  | 0.3                                 | 158.3<br>166.5                       | 17.2<br>20.6 <sup>†</sup>                                     | 0.3                                 | 186 427<br>205 818  |
| Quarterly    |   | 0.112   | 10 110                               | 1010  | 0.2                                 |                                      | 2010  | 011                                 | 200 010   |
| 2001 01      | 7 011   | 1 767   | 20.2                                 | 5.7   | 0.2                                 | 22.5                                 | 5.6   | 0.1                                 | 120 771   |
| Q2           | 7 891   | 1 772   | 43.8 <sup>†</sup>                    | 4.2   | 0.2                                 | 34.4                                 | 4.7   | 0.1                                 | 130 774   |
| Q3           | 8 252   | 1 822   | 43.5                                 | 3.2   | -                                   | 35.6 <sup>†</sup>                    | 4.6   | 0.1                                 | 135 507   |
| Q4           | 7 952   | 1 761   | 36.3                                 | 3.7   | 0.1                                 | 37.5                                 | 5.9   | 0.1                                 | 137 368   |
| 2002 Q1      | 8 006   | 1 916   | 41.7                                 | 5.4   | 0.1                                 | 33.6                                 | 5.1   | -                                   | 143 996   |
| Q2           | 8 396   | 1 782   | 42.6                                 | 3.8   | 0.1                                 | 36.9                                 | 4.6   | 0.2                                 | 157 646   |
| Q3           | 8 829   | 2 031   | 44.0                                 | 3.4   | -                                   | 36.4                                 | 4.7   | -                                   | 164 293   |
| Q            | 3200  | 2013  | 50.5                                 | 5.0   |                                     | 42.4                                 | 4.5   |                                     | 175 254   |
| 2003 Q1      | 8 824   | 2 095   | 44.2                                 | 5.0   | 0.1                                 | 34.7                                 | 4.5   | 0.1                                 | 175 947   |
| Q2<br>Q3     | 8 835<br>9 165  | 2 108<br>1 894  | 46.9<br>45.8                         | 4.4<br>3.8  | 0.2                                 | 39.3<br>37.5                         | 4.1<br>4.5  | 0.1                                 | 187 676   |
| Q4           | 9 232   | 2 123   | 40.6                                 | 3.0   | 0.1                                 | 46.9                                 | 4.1   | 0.1                                 | 193 373   |
| 2004 01      | 9.510   | 2 3/6   | 47.0                                 | 65  | _                                   | 34.0                                 | 5 1   | _                                   | 10/ 276   |
| Q2           | 9 754   | 2 287   | 52.1                                 | 4.3   | 0.1                                 | 43.1                                 | 4.3 <sup>†</sup>  | 0.1                                 | 204 679   |
| Q3           | 9 783   | 2 488   | 51.3                                 | 3.6   | -                                   | 43.6                                 | 5.3   | -                                   | 212 505   |
| Q4           | 9 832   | 2 351   | 44.0                                 | 4.6   | -                                   | 45.8                                 | 5.8   | -                                   | 211 812   |
| 2005 Q1      | 9 626   | 2 234   | 44.5                                 | 7.1   | 0.1                                 | 35.7                                 | 6.4   | -                                   | 214 704   |
| Q2<br>Q3     | 9 718<br>9 858  | 2 698<br>2 645 <sup>†</sup>   |                                      |   |                                     |                                      |   |                                     | 216 780<br>220 721 <sup>†</sup>   |
| Monthly      | 0.000   | 2010  |                                      |   |                                     |                                      |   |                                     |   |
| 2002 101     |   | 600   |                                      |   |                                     |                                      |   |                                     | 196 907   |
| Aua          |   | 597   |                                      |   |                                     |                                      |   |                                     | 191 100   |
| Sep          |   | 605   |                                      |   |                                     |                                      |   |                                     | 188 227   |
| Oct          |   | 724   |                                      |   |                                     |                                      |   |                                     | 195 551   |
| Dec          |   | 743<br>656  |                                      |   |                                     |                                      |   |                                     | 194 655   |
|              |   |   |                                      |   |                                     |                                      |   |                                     |   |
| 2004 Jan     |   | 796<br>754  |                                      |   |                                     |                                      |   |                                     | 195 238   |
| Mar          |   | 754<br>796  |                                      |   |                                     |                                      |   |                                     | 192 165   |
| Apr          |   | 880   |                                      |   |                                     |                                      |   |                                     | 201 796   |
| May          |   | 697   |                                      |   |                                     |                                      |   |                                     | 203 015   |
| Juli         |   | 710   |                                      |   |                                     |                                      |   |                                     | 209 225   |
| Jul          |   | 758   |                                      |   |                                     |                                      |   |                                     | 211 663   |
| Aug          |   | 889   |                                      |   |                                     |                                      |   |                                     | 211 314   |
| Oct          |   | 742   |                                      |   |                                     |                                      |   |                                     | 214 537 214 509   |
| Nov          |   | 805   |                                      |   |                                     |                                      |   |                                     | 212 354   |
| Dec          |   | 803   |                                      |   |                                     |                                      |   |                                     | 208 574   |
| 2005 Jan     |   | 650   |                                      |   |                                     |                                      |   |                                     | 212 952   |
| Feb          |   | 776   |                                      |   |                                     |                                      |   |                                     | 213 093   |
| Mar          |   | 809   |                                      |   |                                     |                                      |   |                                     | 218 067   |
| Mav          |   | 777   |                                      |   |                                     |                                      |   |                                     | 217 361   |
| Jun          |   | 958   |                                      |   |                                     |                                      |   |                                     | 219 029   |
| ايىل.        |   | 959 <sup>†</sup>  |                                      |   |                                     |                                      |   |                                     | 221 548   |
| Aug          |   | 839   |                                      |   |                                     |                                      |   |                                     | 220 141   |
| Sep          |   | 848   |                                      |   |                                     |                                      |   |                                     | 220 474 <sup>†</sup>  |
| Uct          |   | 887   |                                      |   |                                     |                                      |   |                                     | 225 532   |

1 Monthly data collection ceased after March 2003. Great Britain seasonally adjusted data are no longer updated. Seasonally adjusted data for England are available from the website of the Office of the Deputy Prime Minister: www.odpm.gov.uk

2 Includes registered and non-registered social landlords.

3 Series is based on mortgage lending by all financial institutions rather than building societies only, as previously published. This change has been made necessary because of the mergers. takeovers and conversions to plc status affecting the building society sector.

The series is based on the Office of the Deputy Prime Ministers' survey of mortgage lenders (at completion stage), but now includes all mortgage lenders rather than building societies only. From February 2002, monthly data have been obtained from the enlarged survey and quarterly data from 2002q2 are based on monthly prices. From September 2005, figures are based on the new Regulated Mortgage Survey (CML/BankSearch). Prices have been chain-linked to adjust for the structured observe arises from the provide server survey and prices. to adjust for the structural change arising from the new survey. Sources: Office for National Statistics;

Enquiries Column 1 020 7533 6010; Department of Trade and Industry ; Column 2 020 7544 5583; Office of the Deputy Prime Minister; Columns 3-8 0117 372 8055; Column 9 020 7944 3325





Thousands

### 5.5 Number of property transactions<sup>1,2,3</sup>

|             | Number  | of property transa  | actions  |          | of property transa                                  | actions   |  |
|-------------|---|---|--|----------|---|---|--|
|             | Not<br>seasonally<br>adjusted<br>England &<br>Wales | Seasonally<br>adjusted<br>England &<br>Wales <sup>4,5</sup> | Not<br>seasonally<br>adjusted<br>England,<br>Wales &<br>N. Ireland |          | Not<br>seasonally<br>adjusted<br>England &<br>Wales | Seasonally<br>adjusted<br>England &<br>Wales <sup>4,5</sup> | Not<br>seasonally<br>adjusted<br>England,<br>Wales &<br>N. Ireland |
|             | FTAP  |   | FTAR   | Jun      | 129   | 135   | 132  |
| 2001        | 1 458   |   | 1 497  |          |   |   |  |
| 2002        | 1 586   |   | 1 627  | .lul     | 152   | 134   | 154  |
| 2002        | 1 345   |   | 1 397  | Aug      | 166   | 149   | 171  |
| 2000        | 1 796   |   | 1 920  | Sop      | 120   | 12/   | 144  |
| 2004        | 1700  |   | 1 030  | Sep      | 139   | 104   | 144  |
|             |   | FTAO  |  | Oct      | 147   | 101   | 101  |
|             |   | FIAQ  |  | Nov      | 127   | 124   | 131  |
| 2001 Q1     | 327   | 346   | 337  | Dec      | 118   | 131   | 122  |
| Q2          | 347   | 363   | 360  |          |   |   |  |
| Q3          | 396   | 369   | 405  | 2003 Jan | 131   | 121   | 137  |
| Q4          | 387   | 379   | 396  | Feb      | 103   | 120   | 109  |
|             |   |   |  | Mar      | 106   | 119   | 113  |
| 2002 Q1     | 342   | 374   | 351  | Apr      | 101   | 113   | 108  |
| 02          | 395   | 410   | 404  | May      | 101   | 106   | 105  |
| 02          | 457   | 417   | 469  | lup      | 102   | 105   | 107  |
| 04          | 457   | 417   | 400  | Juli     | 103   | 105   | 107  |
| Q4          | 392   | 305   | 404  | 1.1      | 100   | 445   | 105  |
|             |   |   |  | Jui      | 132   | 115   | 135  |
| 2003 Q1     | 340   | 361   | 359  | Aug      | 112   | 106   | 116  |
| Q2          | 306   | 323   | 320  | Sep      | 114   | 106   | 118  |
| Q3          | 358   | 327   | 369  | Oct      | 120   | 108   | 124  |
| Q4          | 340   | 333   | 349  | Nov      | 110   | 109   | 113  |
|             |   |   |  | Dec      | 111   | 116   | 113  |
| 2004 Q1     | 447   | 470   | 457  |          |   |   |  |
| 02          | 452   | 459   | 463  | 2004 Jan | 157   | 151   | 160  |
| 03          | 401   | 400   | 504  | Eeb      | 1/8   | 171   | 152  |
| 04          | 206   | 411   | 406  | Mor      | 140   | 1/7   | 145  |
| 04          | 390   | 411   | 400  | Iviai    | 142   | 147   | 140  |
| O /         |   | 0.5.4   |  | Apr      | 140   | 151   | 143  |
| 2005 Q1     | 322   | 351   | 329  | May      | 145   | 152   | 148  |
| Q2          | 363   | 358   | 375  | Jun      | 167   | 156   | 172  |
| Q3          | 464   | 416   | 478  |          |   |   |  |
|             |   |   |  | Jul      | 175   | 151   | 179  |
| 2001 Jan    | 123   | 113   | 127  | Aug      | 159   | 148   | 163  |
| Feb         | 99  | 117   | 102  | Sep      | 158   | 148   | 162  |
| Mar         | 105   | 116   | 108  | Oct      | 138   | 142   | 142  |
| Anr         | 101   | 115   | 105  | Nov      | 124   | 132   | 128  |
| May         | 101   | 122   | 126  | Dec      | 13/   | 136   | 136  |
| lung        | 105   | 105   | 120  | Dec      | 104   | 150   | 100  |
| Jun         | 125   | 125   | 120  | 0005 1   | 100   | 107   | 100  |
|             |   |   |  | 2005 Jan | 108   | 107   | 109  |
| Jul         | 132   | 120   | 135  | Feb      | 112   | 126   | 114  |
| Aug         | 140   | 125   | 143  | Mar      | 102   | 119   | 105  |
| Sep         | 124   | 124   | 127  | Apr      | 112   | 117   | 115  |
| Oct         | 140   | 125   | 143  | May      | 113   | 119   | 116  |
| Nov         | 137   | 131   | 141  | Jun      | 139   | 123   | 144  |
| Dec         | 110   | 123   | 112  |          |   |   |  |
| 200         |   | .25   |  | .lul     | 137   | 127   | 141  |
| 2002 Jan    | 101   | 120   | 13/  | Aug      | 167   | 127   | 162  |
| ZUUZ Jali   | 100   | 120   | 110  | Aug      | 137   | 157   | 102  |
| reb<br>Mari | 108   | 12/   | 110  | Sep      | 170   | 152   | 1/5  |
| iviar       | 104   | 127   | 106  | Oct      | 146   | 144   | 151  |
| Apr         | 129   | 135   | 132  | Nov      | 146   | 149   | 151  |
| Mav         | 137   | 140   | 140  |          |   |   |  |

1 The figures are based on counts of the relevant administrative forms successfully processed each month. For completions up to and including November 2003 the relevant form was the Particulars Delivered form. Since December 2003 the relevant form is the Land Transaction Return associated with the introduction of Stamp Duty Land Tax (although in December 2003 most forms processed were still Particulars Delivered forms). The count of Land Transaction Return forms is based on the month when the Stamp Duty Land Tax certificate is issued. The figures for the the latest month includes estimates for returns where a certificate has been issued but the form was not captured on the database at the time the count was taken. The figure is therefore subject to revision next month.

2 Because of the change in administrative arrangements associated with the introduction of Stamp Duty Land Tax, the figures from December 2003 on-wards may not be comparable with the earlier series. In particular Land Transaction Returns in respect of transactions subject to Stamp Duty Land Tax are being submitted more promptly by conveyancers than Particulars Delivered forms in respect of transactions subject to stamp duty. The overhang of particulars delivered forms into the first quarter of 2004 has becated the table prompt, transactions concerned to the quarter of 2004 has boosted the total property transactions processed figures in that quarter

Other reasons for higher figures since the introduction of Stamp Duty Land Tax include (1) there are some types of transaction which require a Land Transaction Return which did not require a Particulars Delivered form and (2) there are higher numbers of registering commercial transactions.

Because of the time lags involved, the series above should be lagged by one month to give a broad representation of transactions completed in the month. However this relationship was weaker in the second quarter of 2002, because of the operational pressures in the network of Stamp Offices which delayed the processing of a proportion of property transactions. The Jubilee celebrations meant that the late May bank holiday was taken in

June 2002. Seasonal features in the data arising from the May Bank holiday will therefore not automatically be removed by the process of seasonal adjustment. Caution should therefore be taken when interpreting monthly movements involving May or June 2002 data.

5 The sum of seasonally adjusted components does not exactly match the unad-justed (definitive) annual total. 6

On 19 July the Inland Revenue ended the arrangement under which a Stamp Duty Land Tax certificate could be issued even though some of the required in-formation had not been provided (the 'light touch' process). This is likely to have reduced the transaction count for July and August by a few thousand Source: HM Revenue and Customs; Enquiries 020 7147 2941

Reference year 2002 £ million

### Change in inventories Chained volume measures<sup>1</sup> 5.6

|                      |                            |                       |                  |                   |        |                            |                        |                     | loioronoo your                   | 2002, 2 11111011            |
|----------------------|----------------------------|-----------------------|------------------|-------------------|--------|----------------------------|------------------------|---------------------|----------------------------------|-----------------------------|
|                      |                            |                       | Manufacturin     | g industries      |        | Elect-                     | Distributive           | trades              |                                  |                             |
|                      | Mining<br>and<br>quarrying | Materials<br>and fuel | Work in progress | Finished<br>goods | Total  | gas and<br>water<br>supply | Wholesale <sup>2</sup> | Retail <sup>2</sup> | Other<br>industries <sup>3</sup> | Change<br>in<br>inventories |
| Level of inventories |                            |                       |                  |                   |        |                            |                        |                     |                                  |                             |
| at                   |                            |                       |                  |                   |        |                            |                        |                     |                                  |                             |
| end-December 2004    | 1034                       | 16 155                | 15 931           | 19 676            | 51 762 | 1726                       | 27 873                 | 26 080              | 45 284                           | 153 759                     |
| Quarterly            |                            |                       |                  |                   |        |                            |                        |                     |                                  |                             |
| -                    | FAEA                       | FBNF                  | FBNG             | FBNH              | DHBM   | FAEB                       | FAJX                   | FBYN                | DLWX                             | CAFU                        |
| 2001 Q1              | 63                         | -652                  | 325              | -133              | -459   | -214                       | 566                    | -130                | 1 215                            | 1 040                       |
| Q2                   | -45                        | -200                  | 331              | 224               | 354    | 190                        | -76                    | -160                | 1 112                            | 1 375                       |
| Q3                   | 93                         | 352                   | 271              | 32                | 656    | 88                         | 519                    | 229                 | 76                               | 1 662                       |
| Q4                   | -15                        | 93                    | -413             | 45                | -275   | -15                        | -299                   | 1 076               | 1 647                            | 2 119                       |
| 2002 Q1              | 48                         | 118                   | 36               | 615               | 769    | -63                        | 13                     | 674                 | -264                             | 1 177                       |
| Q2                   | -30                        | -82                   | -159             | -128              | -369   | 140                        | 810                    | 1 1 1 2             | -1 269                           | 394                         |
| Q3                   | -20                        | -115                  | 341              | -263              | -37    | -66                        | 431                    | -74                 | 246                              | 480                         |
| Q4                   | -26                        | -311                  | -222             | -588              | -1 121 | -110                       | -643                   | -94                 | 2 852                            | 858                         |
| 2003 Q1              | -25                        | 540                   | 137              | 34                | 711    | 67                         | 169                    | 167                 | -986                             | 103                         |
| Q2                   | 53                         | -385                  | -130             | -215              | -730   | -5                         | -583                   | 455                 | 423                              | -387                        |
| Q3                   | -86                        | -213                  | -246             | 279               | -180   | -41                        | 275                    | 274                 | 2 097                            | 2 339                       |
| Q4                   | 1                          | -34                   | -266             | -228              | -528   | -1                         | 369                    | 247                 | 2 459                            | 2 547                       |
| 2004 Q1              | 7                          | -89                   | 60               | -613              | -653†  | 156                        | 40                     | 1 047               | 1 222 <sup>†</sup>               | 1 338 <sup>†</sup>          |
| Q2                   | -4                         | -96                   | -356             | 361               | -86    | -165                       | 1 441                  | -617                | 676                              | 1 230                       |
| Q3                   | -41                        | 100                   | -80              | 219               | 274    | 5                          | -398                   | 794                 | 303                              | 1 088                       |
| Q4                   | -1                         | -24                   | -271             | -38               | -408   | -82                        | 181                    | 405                 | 1 840                            | 2 277                       |
| 2005 Q1              | -                          | 265                   | 175              | -31               | 540    | -108                       | -10                    | -168                | 1 634                            | 1 262                       |
| Q2                   | -28                        | -213                  | -69              | -245              | -244   | 225                        | 12                     | -192                | 382                              | 342                         |
| Q3                   | -24                        | 23                    | -51              | 34                | -1     | -39                        | -49                    | -10                 | 951                              | 1 614                       |

 Estimates are given to the nearest £ million but cannot be regarded as accurrate to this degree.
 Wholesaling and retailing estimates exclude the motor trades.
 Quarterly alignment adjustment included in this series. For description see notes to the *Economic Trends Annual Supplement*. For details of adjustments, see notes section in the Sector and Financial Accounts article in *UK Economic* Accounts.

Sources: Office for National Statistics; Enquiries Columns 1-8 020 7533 6264; Columns 9-10 020 7533 6031

# 5.7 Inventory ratios

|           | Manuf              | acturers' inventories <sup>1</sup> t | uction            | Datail inventoriaa <sup>1</sup> ta | Total inventoria 13 to    |                   |
|-----------|--------------------|--------------------------------------|-------------------|------------------------------------|---------------------------|-------------------|
|           | Materials and fuel | Work in progress                     | Finished goods    | Total inventories                  | retail sales <sup>2</sup> | gross value added |
| Quarterly |                    |                                      |                   |                                    |                           |                   |
| -         | FAPG               | FAPH                                 | FAPI              | FAPF                               | FAPC                      | FDCA              |
| 2001 Q1   | 97.6               | 101.0                                | 99.3              | 99.3                               | 98.9                      | 100               |
| Q2        | 98.6               | 105.3                                | 102.8             | 102.3                              | 96.3                      | 101               |
| Q3        | 100.9              | 107.1                                | 103.0             | 103.6                              | 95.6                      | 102               |
| Q4        | 103.6              | 106.8                                | 105.5             | 105.3                              | 99.2                      | 103               |
| 2002 Q1   | 101.8              | 104.5                                | 106.1             | 104.2                              | 100.5                     | 103               |
| Q2        | 101.8              | 104.0                                | 106.0             | 104.1                              | 103.5                     | 103               |
| Q3        | 100.1              | 105.0                                | 103.6             | 103.0                              | 102.4                     | 102               |
| Q4        | 99.7               | 105.2                                | 102.0             | 102.3                              | 100.1                     | 103               |
| 2003 Q1   | 102.8              | 105.9                                | 102.1             | 103.5                              | 102.0                     | 102               |
| Q2        | 100.4              | 105.0                                | 100.9             | 102.0                              | 102.6                     | 101               |
| Q3        | 98.4               | 102.8                                | 101.6             | 101.0                              | 102.7                     | 102               |
| Q4        | 97.3               | 100.2                                | 99.5              | 99.1                               | 101.7                     | 103               |
| 2004 Q1   | 96.4               | 100.2                                | 96.1              | 97.5                               | 104.3                     | 102               |
| Q2        | 95.1               | 97.3                                 | 97.1              | 96.5                               | 99.7                      | 102               |
| Q3        | 96.3               | 97.4                                 | 98.8              | 97.6                               | 102.1                     | 103               |
| Q4        | 95.6               | 95.2                                 | 98.0              | 96.4                               | 103.7                     | 103               |
| 2005 Q1   | 98.7 <sup>†</sup>  | 97.2 <sup>†</sup>                    | 99.5 <sup>†</sup> | 98.5 <sup>†</sup>                  | 103.2 <sup>†</sup>        | 104               |
| Q2        | 99.9               | 97.3                                 | 99.1              | 98.8                               | 101.9                     | 104               |
| Q3        | 101.1              | 97.4                                 | 98.6              | 99.0                               | 100.6                     |                   |

1 Chained volume measure: reference year 2002. 2 Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.

3 Including quarterly alignment adjustment. For details of adjustments see notes section in the Sector and Financial Accounts article in *UK Economic Accounts*. Source: Office for National Statistics; Enquiries Columns 1-6 020 7533 6264



# 5.8 Retail sales, new registrations of cars and credit business (Great Britain)

|   | Value of  |   | Volume  | e of retail s   | ales per w  | eek+(avera   | age 2000=10  | 0) <sup>1,2</sup>   |   | New<br>regi-                                      | Total<br>consumer   | of w  | hich  |
|---|---|---|---|---|---|--|--|---|---|---|---|---|---|
|   | retail  |   |   |   | Predomin  | antly non-f  | ood stores   |   |   | of cars   | Net   |   |   |
|   | sales per<br>week:<br>total<br>(average<br>2000=100) <sup>1,2</sup> | All<br>retailers  | Predomin-<br>antly food<br>stores                               | Total   | Non-<br>specialist<br>stores                                    | Textile,<br>clothing<br>and<br>footwear            | Household<br>goods<br>stores   | Other<br>stores   | Non-store<br>and repair   | (NSA,<br>thousands) <sup>5</sup>                  | iending<br>(£<br>million)<br>3,4                                | Credit<br>cards <sup>6</sup>                          | Other <sup>6</sup>  |
| Sales in 2000<br>£ million                  | )<br>207 149  | 207 149   | 89 041  | 106 359   | 18 781  | 27 880   | 27 699   | 31 999  | 11 749  |   |   |   |   |
| Annual                                      |   |   |   |   |   |  |  |   |   |   |   |   |   |
| 2001<br>2002<br>2003<br>2004                | EAQV<br>105.9<br>111.1<br>114.0<br>119.2                            | EAPS<br>106.1<br>112.7<br>116.6<br>123.5 <sup>†</sup>           | EAPT<br>104.1<br>108.2<br>111.8<br>116.4                        | EAPV<br>107.8<br>116.4<br>121.5<br>130.2                        | EAPU<br>106.0<br>110.4<br>113.7<br>117.6 <sup>1</sup>           | EAPX<br>109.4<br>121.0<br>128.9<br>139.0           | EAPY<br>109.8<br>117.9<br>123.0<br>131.5                                     | EAPW<br>105.7<br>114.7<br>118.4<br>128.7 <sup>1</sup>           | EAPZ<br>106.0<br>113.2<br>107.5<br>117.7                        | BCGT<br>2 577.5<br>2 682.0<br>2 646.2<br>2 598.8  | RLMH<br>17 696 <sup>†</sup><br>21 164<br>20 251<br>22 992       | VZQX<br>6 283<br>7 620<br>8 908<br>9 964              | VZQY<br>11 498 <sup>†</sup><br>13 604<br>11 507<br>13 020   |
| Quarterly                                   |   |   |   |   |   |  |  |   |   |   |   |   |   |
| 2001 Q1<br>Q2<br>Q3<br>Q4                   | 102.9<br>105.4<br>107.0<br>108.1                                    | 103.2<br>105.2<br>107.1<br>108.6                                | 102.8<br>103.7<br>104.6<br>105.5                                | 103.8<br>106.5<br>108.9<br>111.1                                | 104.4<br>106.0<br>106.7<br>107.5                                | 105.0<br>107.1<br>110.7<br>113.9                   | 105.9<br>109.6<br>110.1<br>112.9   | 100.5<br>103.6<br>107.7<br>109.1                                | 100.4<br>105.8<br>110.1<br>108.6                                | 704.2<br>617.7<br>725.6<br>530.0                  | 3 269 <sup>†</sup><br>4 532<br>4 210<br>5 685                   | 1 353<br>1 698<br>1 228<br>2 004                      | 2 120 <sup>†</sup><br>2 772<br>2 980<br>3 626               |
| 2002 Q1<br>Q2<br>Q3<br>Q4                   | 109.9<br>111.1<br>111.7<br>113.5                                    | 110.6<br>112.7<br>113.6<br>115.7                                | 106.7<br>108.0<br>109.0<br>111.0                                | 114.5<br>116.7<br>116.9<br>119.1                                | 108.8<br>109.3<br>111.5<br>113.1                                | 118.4<br>120.6<br>122.2<br>124.2                   | 115.0<br>117.1<br>118.1<br>120.7   | 114.2<br>117.2<br>114.4<br>116.6                                | 104.7<br>111.5<br>118.3<br>121.3                                | 758.7<br>650.0<br>744.6<br>528.7                  | 4 940<br>4 695<br>6 106<br>5 423                                | 1 952<br>1 677<br>2 047<br>1 944                      | 3 100<br>2 959<br>4 013<br>3 532                            |
| 2003 Q1<br>Q2<br>Q3<br>Q4                   | 112.4<br>113.3<br>114.6<br>116.3                                    | 114.4<br>115.9<br>117.1<br>119.4                                | 110.0<br>111.7<br>112.6<br>113.5                                | 118.9<br>120.4<br>122.1<br>125.3                                | 110.8<br>112.5<br>114.0<br>117.1                                | 126.2<br>127.9<br>130.4<br>132.2                   | 118.8<br>122.6<br>123.7<br>126.7   | 117.4<br>116.6<br>118.2<br>122.8                                | 107.6<br>106.5<br>106.2<br>110.1                                | 737.6<br>642.7<br>742.8<br>523.1                  | 4 920<br>5 571<br>5 135<br>4 625                                | 2 216<br>2 540<br>2 200<br>1 952                      | 2 755<br>3 001<br>2 941<br>2 810                            |
| 2004 Q1<br>Q2<br>Q3<br>Q4                   | 118.0 <sup>†</sup><br>119.8<br>120.4<br>119.8                       | 121.6 <sup>†</sup><br>124.0<br>125.1<br>124.8                   | 114.6 <sup>†</sup><br>116.3<br>117.4<br>117.7                   | 128.4 <sup>†</sup><br>131.0<br>132.2<br>131.2                   | 116.1 <sup>1</sup><br>118.9<br>119.9<br>118.1                   | 137.2<br>139.8<br>140.5<br>140.8                   | 128.8<br>130.9 <sup>†</sup><br>133.9<br>132.4                                | 127.5 <sup>1</sup><br>130.5<br>130.8<br>129.6                   | 113.9 <sup>1</sup><br>119.2<br>119.8<br>120.5                   | 762.2<br>629.8<br>709.9<br>496.9                  | 5 908<br>5 808<br>5 969<br>5 307                                | 2 403<br>2 483<br>2 680<br>2 398                      | 3 352<br>3 322<br>3 331<br>3 015                            |
| 2005 Q1<br>Q2<br>Q3                         | 119.8<br>120.2<br>120.5   | 124.9<br>125.6<br>126.2   | 118.9<br>119.1<br>119.7   | 130.3<br>131.4<br>132.5   | 120.1<br>117.6<br>117.9   | 141.3<br>144.3<br>144.1                            | 130.8<br>130.3<br>130.8  | 126.2<br>129.3<br>132.5   | 121.0<br>121.9<br>117.2   | 697.9<br>594.4<br>677.1                           | 5 912<br>4 407<br>3 459   | 2 325<br>1 406<br>1 245                               | 3 440<br>3 000<br>2 309                                     |
| Monthly                                     |   |   |   |   |   |  |  |   |   |   |   |   |   |
| 2004 Jan<br>Feb<br>Mar<br>Apr<br>May<br>Jun | 117.7 <sup>†</sup><br>117.8<br>118.3<br>119.0<br>119.9<br>120.3     | 120.9 <sup>†</sup><br>121.2<br>122.5<br>123.0<br>124.1<br>124.7 | 114.0 <sup>†</sup><br>114.6<br>115.0<br>115.4<br>116.3<br>116.9 | 127.6 <sup>†</sup><br>127.8<br>129.4<br>130.0<br>131.1<br>131.7 | 115.4 <sup>1</sup><br>116.4<br>116.5<br>117.8<br>120.0<br>118.9 | 136.7<br>135.9<br>138.5<br>139.6<br>140.7<br>139.2 | <sup>†</sup> 127.6<br>128.7 <sup>†</sup><br>129.9<br>129.8<br>130.5<br>132.3 | 126.7 <sup>1</sup><br>126.9<br>128.6<br>129.1<br>129.7<br>132.3 | 113.0 <sup>†</sup><br>112.1<br>115.9<br>116.0<br>120.2<br>120.9 | 199.6<br>92.3<br>470.3<br>191.1<br>197.6<br>241.1 | 1 964 <sup>†</sup><br>1 969<br>1 918<br>1 712<br>1 811<br>2 211 | 737 <sup>†</sup><br>569<br>1 200<br>814<br>681<br>924 | 1 226 <sup>†</sup><br>1 400<br>718<br>898<br>1 130<br>1 286 |
| Jul<br>Aug<br>Sep<br>Oct<br>Nov<br>Dec      | 119.7<br>120.3<br>121.1<br>120.4<br>120.5<br>118.8                  | 124.2<br>124.9<br>126.0<br>125.2<br>125.4<br>124.0              | 116.4<br>117.6<br>118.0<br>117.9<br>118.2<br>117.2              | 131.4<br>131.9<br>133.2<br>132.0<br>132.1<br>129.9              | 118.5<br>121.1<br>120.1<br>118.7<br>119.6<br>116.4              | 137.2<br>142.0<br>142.0<br>142.7<br>141.0<br>139.1 | 134.1<br>132.9<br>134.5<br>132.2<br>134.2<br>131.2                           | 131.5<br>128.5<br>132.0<br>130.2<br>130.0<br>128.7              | 119.0<br>117.2<br>122.4<br>119.6<br>120.1<br>121.5              | 188.2<br>87.3<br>434.4<br>171.8<br>175.6<br>149.5 | 1 895<br>2 203<br>1 966<br>1 749<br>2 018<br>1 655              | 937<br>948<br>862<br>767<br>906<br>606                | 958<br>1 256<br>1 104<br>983<br>1 112<br>1 049              |
| 2005 Jan<br>Feb<br>Mar<br>Apr<br>May<br>Jun | 119.7<br>119.7<br>119.9<br>119.8<br>119.5<br>121.1                  | 124.8<br>125.0<br>124.8<br>125.2<br>124.9<br>126.4              | 119.6<br>118.7<br>118.5<br>118.7<br>118.7<br>118.7<br>119.8     | 129.7<br>130.3<br>130.8<br>130.7<br>130.6<br>132.5              | 119.0<br>119.4<br>121.4<br>117.7<br>116.5<br>118.3              | 139.2<br>142.4<br>142.0<br>143.5<br>143.4<br>145.5 | 133.0<br>130.3<br>129.5<br>129.4<br>129.8<br>131.4                           | 124.6<br>126.2<br>127.5<br>128.4<br>128.5<br>130.5              | 120.9<br>123.8<br>118.9<br>123.9<br>120.6<br>121.4              | 180.0<br>77.5<br>440.4<br>178.9<br>189.2<br>226.3 | 2 350<br>1 696<br>1 766<br>1 266<br>1 725<br>1 293              | 1 091<br>693<br>660<br>310<br>697<br>337              | 1 259<br>1 003<br>1 107<br>956<br>1 027<br>956              |
| Jul<br>Aug<br>Sep<br>Oct<br>Nov             | 120.4<br>120.4<br>120.6<br>121.0<br>121.8                           | 125.8<br>125.9<br>126.7<br>127.2<br>128.1                       | 119.9<br>118.6<br>120.4<br>120.8<br>121.4                       | 131.4<br>132.7<br>133.3<br>133.5<br>134.6                       | 116.4<br>118.4<br>118.8<br>119.4<br>121.3                       | 143.1<br>143.9<br>145.1<br>144.4<br>149.6          | 129.9<br>130.7<br>131.6<br>132.1<br>132.0                                    | 131.3<br>133.1<br>133.0<br>133.4<br>131.5                       | 118.6<br>119.5<br>114.2<br>118.6<br>120.0                       | 175.3<br>84.2<br>417.6<br>153.9                   | 1 166<br>1 284<br>1 170<br>1 210<br>927                         | 339<br>461<br>425<br>582<br>307                       | 826<br>824<br>745<br>628<br>620                             |

Great Britain only. The motor trades are excluded. Information for periods earlier than those shown is available from ONS Newport (tel 01633 812509).
 The retail sales index has been rebased using detailed information from the 2000 Annual Business inquiry. Further information is available via the Na-

4 Covers all institutions providing finance for consumers; including loans by banks on personal accounts and on bank credit cards and charge cards, by in-surance companies, retailers and other specialist lenders, but excluding loans for house purchase.

3 Net lending equals changes in amounts outstanding adjusted to remove distortions arising from revaluations of debt such as write-offs.

5 Seasonally adjusted data are not published in *Economic Trends*. Data up to 1998 are published in the *Economic Trends Annual Supplement*.
6 See Table 6.6, note 2.

Sources: Office for National Statistics; Enquiries Columns 1-9 01633 812713; Columns 12-14 01633 812782.;

Department for Transport; Enquiries Column 10,11 020 7944 3077.





# 5.9 Inland energy consumption: primary fuel input basis

Million tonnes of oil equivalent

|                   |                        | S                        | easonally adjusted and   | temperature corre | ected <sup>7</sup> (annualised rate            | es)                      |       |
|-------------------|------------------------|--------------------------|--------------------------|-------------------|--|--------------------------|-------|
|                   |                        |                          |                          |                   | Primary electricity                            | 5                        |       |
|                   | Coal <sup>1</sup>      | Petroleum <sup>2</sup>   | Natural gas <sup>3</sup> | Nuclear           | Wind and<br>natural flow<br>Hydro <sup>4</sup> | Net imports <sup>6</sup> | Total |
| Annual            |                        |                          | •                        |                   |  |                          |       |
| 2000              | FDAI<br>40.0           | FDAJ                     | FDAK                     | FDAL              | FDAM   | FDAW                     | FDAH  |
| 2000              | 43.1                   | 76.6                     | 96.7                     | 20.8              | 0.5  | 0.9                      | 238.6 |
| 2002              | 40.0                   | 75.3                     | 98.7                     | 20.0              | 0.5  | 0.7                      | 235.3 |
| 2003              | 42.9                   | 74.9                     | 97.7                     | 20.0              | 0.4  | 0.2                      | 236.1 |
| 2004              | 42.0                   | 77.4                     | 100.0                    | 18.1              | 0.6  | 0.6                      | 238.9 |
| Quarterly         |                        |                          |                          |                   |  |                          |       |
| 2000 Q1           | 38.9                   | 81.3                     | 110.8                    | 20.1              | 0.6  | 1.1                      | 252.8 |
| Q2                | 40.6                   | 74.4                     | 95.3                     | 19.8              | 0.4  | 1.3                      | 231.8 |
| 04                | 40.2                   | 77.6                     | 00.4<br>103.1            | 19.4              | 0.5  | 1.3                      | 224.0 |
| Q4                | 40.5                   | 11.0                     | 105.1                    | 15.4              | 0.5  | 1.2                      | 242.2 |
| 2001 Q1           | 45.6                   | 75.8                     | 108.8                    | 19.9              | 0.3  | 1.1                      | 251.5 |
| Q2                | 44.6                   | 73.3                     | 93.1                     | 19.0              | 0.4  | 0.9                      | 231.3 |
| Q3                | 42.5                   | 79.4                     | 84.6                     | 21.8              | 0.5  | 0.9                      | 229.7 |
| Q4                | 39.8                   | 77.8                     | 100.6                    | 22.6              | 0.5  | 0.7                      | 242.0 |
| 2002 Q1           | 42.1                   | 77.9                     | 108.2                    | 21.2              | 0.6  | 0.6                      | 250.6 |
| Q2                | 35.8                   | 76.3                     | 95.9                     | 20.0              | 0.7  | 1.0                      | 229.6 |
| Q3                | 38.4                   | 76.2                     | 88.3                     | 19.9              | 0.5  | 0.2                      | 223.5 |
| Q4                | 43.6                   | 70.8                     | 102.6                    | 18.9              | 0.4  | 1.1                      | 237.4 |
| 2003 Q1           | 42 9                   | 79 7                     | 108 1                    | 21.0              | 0.3  | 0.3                      | 245.3 |
| 02                | 44.9                   | 78.5                     | 92.7                     | 20.6              | 0.5  | 0.0                      | 237.3 |
| Q3                | 41.9                   | 73.8                     | 85.6                     | 19.7              | 0.5  | -0.1                     | 221.4 |
| Q4                | 41.8                   | 74.6                     | 104.5                    | 18.6              | 0.4  | 0.4                      | 240.3 |
| 2004 Q1           | 43.5                   | 71.0                     | 111.2                    | 20.2              | 0.5  | 0.4                      | 246.8 |
| Q2                | 40.6                   | 79.4                     | 97.2                     | 17.2              | 0.6  | 0.6                      | 235.5 |
| Q3                | 41.0                   | 77.1                     | 86.8                     | 17.9              | 0.8  | 0.7                      | 224.4 |
| Q4                | 42.9                   | 82.1                     | 105.1                    | 17.3              | 0.6  | 0.8                      | 248.8 |
| 2005 Q1           | 45.2                   | 80.0                     | 108.4 <sup>†</sup>       | 19.3              | 0.5  | 0.5                      | 253.9 |
| Q2                | 40.4                   | 74.9                     | 93.3                     | 18.3              | 0.6  | 0.7                      | 228.3 |
| Percentage change | , quarter on correspor | nding quarter of previou | us year                  |                   |  |                          |       |
| Quarterly         |                        |                          |                          |                   |  |                          |       |
|                   | FDAP                   | FDAQ                     | FDAR                     | FDAS              | FDAT   | FDAX                     | FDAO  |
| 2000 Q1           | 3.9                    | -0.2                     | 5.4                      | -13.8             | 12.1   | -10.6                    | 1.5   |
| Q2                | /./                    | -5.0                     | 5.4                      | -14.6             | -25.9  | 1.9                      | 0.2   |
| Q3<br>04          | 5.1                    | 3.5                      | -0.2                     | -9.9              | -12.3  | 12.9<br>_5 1             | 1.6   |
| 4                 | 0.1                    | 2.0                      | 0.2                      | 7.7               | 0.2  | 0.1                      | 0.4   |
| 2001 Q1           | 17.2                   | -6.7                     | -1.8                     | -1.0              | -43.8  | -                        | -0.5  |
| Q2                | 9.9                    | -1.5                     | -2.3                     | -4.2              | -9.6   | -30.3                    | -0.3  |
| Q3                | 5.7                    | 2.1                      | -1.0                     | 12.8              | 4.7  | -29.0                    | 2.3   |
| Q4                | -1.6                   | 0.3                      | -2.4                     | 16.6              | 6.1  | -45.0                    | -0.1  |
| 2002 Q1           | -7.7                   | 2.7                      | -0.5                     | 6.8               | 73.8   | -43.7                    | -0.4  |
| Q2                | -19.8                  | 4.1                      | 3.0                      | 5.6               | 73.5   | 5.5                      | -0.7  |
| Q3                | -9.6                   | -4.1                     | 4.4                      | -8.8              | 11.4   | -75.5                    | -2.7  |
| Q4                | 9.4                    | -9.0                     | 2.1                      | -16.3             | -32.7  | 67.6                     | -1.9  |
| 2003 Q1           | 1.9                    | -6.7                     | -                        | -1.3              | -42.4  | -56.2                    | -2.1  |
| Q2                | 25.5                   | 2.9                      | -3.3                     | 2.9               | -29.6  | -89.0                    | 3.4   |
| Q3                | 9.1                    | -3.1                     | -3.0                     | -0.9              | -13.6  | -                        | -0.9  |
| Q4                | -4.0                   | 5.3                      | 1.8                      | -1.6              | -2.7   | -59.6                    | 1.2   |
| 2004 Q1           | 1.5                    | -2.3                     | 2.8                      | -3.9              | 58.6   | 61.0                     | 0.6   |
| Q2                | -9.7                   | 1.1                      | 4.9                      | -16.5             | 16.7   | -                        | -0.8  |
| Q3                | -2.0                   | 4.5                      | 1.3                      | -9.1              | 66.1   | -                        | 1.3   |
| Q4                | 2.5                    | 10.1                     | 0.6                      | -7.3              | 64.6   | 92.5                     | 3.5   |
| 2005 Q1           | 3.8                    | 12.7                     | -2.5 <sup>†</sup>        | -4.1              | -7.0   | 8.8                      | 2.9   |
| Q2                | -0.4                   | -5.6                     | -4.0                     | 6.5               | 1.6  | 26.1                     | -3.1  |

 1
 Includes solid renewable sources (wood, straw, waste), and net foreign trade and stock changes in other solid fuels.
 4
 Includes generation by solar PV. Excludes generation from pumped storage stations.

 2
 Excludes non-energy use.
 5
 Not temperature corrected.

 3
 Includes gas used during production, colliery methane, landfill gas and sewage gas. Excludes gas flared or re-injected and non energy-use of gas.
 6
 Not seasonally adjusted.

 7
 For details of temperature correction see DTI energy statistics website at www.dti.gov.uk/energy/inform/dukes/dukes2003/01longterm.pdf

 Source: Department of Trade and Industry; Enquiries 020 7215 2698



## 6.1 Sterling exchange rates and UK reserves<sup>4</sup>

Not seasonally adjusted

|                              | Sterling exchange rate against major currencies <sup>1</sup> |  |  |  |  |  |  |  | UK inter-   | Sterling                                 |
|------------------------------|--|--|--|--|--|--|--|--|---|--|
|                              | Japanese<br>yen  | US<br>dollar                                 | Swiss<br>franc                           | Euro <sup>2</sup>                            | Danish<br>kroner                             | Norwegian<br>kroner                          | Swedish<br>kronor                            | Hong<br>Kong<br>dollar                           | reserves <sup>3</sup><br>at end<br>of period<br>(£ million) | exchange<br>rate<br>index<br>1990 = 100  |
| Annual                       |  |  |  |  |  |  |  |  |   |  |
| 2001<br>2002<br>2003<br>2004 | AJFO<br>174.90<br>187.84<br>189.34<br>198.10                 | AUSS<br>1.4400<br>1.5026<br>1.6346<br>1.8320 | AJFD<br>2.430<br>2.334<br>2.197<br>2.276 | THAP<br>1.6087<br>1.5909<br>1.4456<br>1.4739 | AJFK<br>11.987<br>11.821<br>10.742<br>10.965 | AJFJ<br>12.944<br>11.953<br>11.562<br>12.342 | AJFI<br>14.886<br>14.570<br>13.189<br>13.453 | AJFU<br>11.2335<br>11.7265<br>12.7337<br>14.2707 | THFE<br>27 773<br>26 566<br>25 724<br>25 908                | AGBG<br>105.8<br>106.0<br>100.2<br>104.1 |
| Quarterly                    |  |  |  |  |  |  |  |  |   |  |
| 2001 Q1                      | 172.26   | 1.4584                                       | 2.424                                    | 1.5814                                       | 11.7988                                      | 12.965                                       | 14.230                                       | 11.3765  | 30 457  | 104.5                                    |
| Q2                           | 174.19   | 1.4208                                       | 2.487                                    | 1.6280                                       | 12.1436                                      | 13.039                                       | 14.847                                       | 11.0866  | 30 632  | 106.4                                    |
| Q3                           | 174.67   | 1.4380                                       | 2.432                                    | 1.6152                                       | 12.0231                                      | 12.928                                       | 15.203                                       | 11.2092  | 29 662  | 106.1                                    |
| Q4                           | 178.45   | 1.4428                                       | 2.375                                    | 1.6111                                       | 11.9887                                      | 12.845                                       | 15.264                                       | 11.2548  | 27 773  | 106.1                                    |
| 2002 Q1                      | 188.79   | 1.4260                                       | 2.396                                    | 1.6263                                       | 12.0863                                      | 12.700                                       | 14.895                                       | 11.1230  | 28 053  | 106.9                                    |
| Q2                           | 185.29   | 1.4630                                       | 2.329                                    | 1.5923                                       | 11.8379                                      | 11.956                                       | 14.564                                       | 11.4015  | 28 623  | 105.3                                    |
| Q3                           | 184.85   | 1.5495                                       | 2.305                                    | 1.5747                                       | 11.6973                                      | 11.662                                       | 14.538                                       | 12.0871  | 27 950  | 105.7                                    |
| Q4                           | 192.42   | 1.5720                                       | 2.304                                    | 1.5716                                       | 11.6733                                      | 11.494                                       | 14.285                                       | 12.2547  | 26 566  | 106.0                                    |
| 2003 Q1                      | 190.67   | 1.6017                                       | 2.189                                    | 1.4937                                       | 11.0987                                      | 11.313                                       | 13.709                                       | 12.5030  | 26 388  | 102.3                                    |
| Q2                           | 191.90   | 1.6194                                       | 2.163                                    | 1.4256                                       | 10.5851                                      | 11.344                                       | 13.032                                       | 12.6352  | 25 199  | 99.1                                     |
| Q3                           | 189.14   | 1.6108                                       | 2.209                                    | 1.4300                                       | 10.6264                                      | 11.794                                       | 13.103                                       | 12.5605  | 26 954  | 99.2                                     |
| Q4                           | 185.64   | 1.7065                                       | 2.228                                    | 1.4334                                       | 10.6591                                      | 11.796                                       | 12.913                                       | 13.2305  | 25 724  | 100.2                                    |
| 2004 Q1                      | 197.07   | 1.8391                                       | 2.306                                    | 1.4708                                       | 10.9571                                      | 12.703                                       | 13.507                                       | 14.2983  | 25 266  | 104.1                                    |
| Q2                           | 198.21   | 1.8052                                       | 2.305                                    | 1.4992                                       | 11.1529                                      | 12.387                                       | 13.712                                       | 14.0831  | 25 178  | 105.2                                    |
| Q3                           | 199.95   | 1.8189                                       | 2.285                                    | 1.4877                                       | 11.0633                                      | 12.478                                       | 13.627                                       | 14.1861  | 25 382  | 104.8                                    |
| Q4                           | 197.18   | 1.8648                                       | 2.206                                    | 1.4388                                       | 10.6958                                      | 11.798                                       | 12.966                                       | 14.5080  | 25 908  | 102.4                                    |
| 2005 Q1                      | 197.53   | 1.8904                                       | 2.234                                    | 1.4424                                       | 10.7362                                      | 11.889                                       | 13.092                                       | 14.7449  | 25 801  | 102.9                                    |
| Q2                           | 199.56   | 1.8559                                       | 2.276                                    | 1.4744                                       | 10.9788                                      | 11.863                                       | 13.572                                       | 14.4506  | 26 844  | 104.3                                    |
| Q3                           | 198.44   | 1.7844                                       | 2.273                                    | 1.4635                                       | 10.9160                                      | 11.534                                       | 13.709                                       | 13.8685  | 26 728  | 102.9                                    |
| Monthly                      |  |  |  |  |  |  |  |  |   |  |
| 2003 Jul                     | 192.72   | 1.6242                                       | 2.209                                    | 1.4277                                       | 10.613                                       | 11.828                                       | 13.130                                       | 12.6671  | 25 785  | 99.4                                     |
| Aug                          | 189.42   | 1.5950                                       | 2.200                                    | 1.4286                                       | 10.617                                       | 11.800                                       | 13.186                                       | 12.4395  | 26 550  | 99.0                                     |
| Sep                          | 185.29   | 1.6131                                       | 2.219                                    | 1.4338                                       | 10.649                                       | 11.755                                       | 12.994                                       | 12.5590  | 26 954  | 99.2                                     |
| Oct                          | 183.76   | 1.6787                                       | 2.220                                    | 1.4334                                       | 10.651                                       | 11.807                                       | 12.917                                       | 12.9962  | 26 131  | 99.8                                     |
| Nov                          | 184.47   | 1.6901                                       | 2.250                                    | 1.4426                                       | 10.729                                       | 11.832                                       | 12.973                                       | 13.1201  | 26 617  | 100.4                                    |
| Dec                          | 188.70   | 1.7507                                       | 2.214                                    | 1.4246                                       | 10.602                                       | 11.749                                       | 12.850                                       | 13.5923  | 25 724  | 100.3                                    |
| 2004 Jan                     | 193.82   | 1.8234                                       | 2.262                                    | 1.4447                                       | 10.760                                       | 12.425                                       | 13.203                                       | 14.1598  | 25 329  | 102.4                                    |
| Feb                          | 199.16   | 1.8673                                       | 2.324                                    | 1.4774                                       | 11.008                                       | 12.983                                       | 13.566                                       | 14.5165  | 24 689  | 104.8                                    |
| Mar                          | 198.22   | 1.8267                                       | 2.332                                    | 1.4890                                       | 11.092                                       | 12.701                                       | 13.752                                       | 14.2349  | 25 266  | 105.0                                    |
| Apr                          | 194.04   | 1.8005                                       | 2.337                                    | 1.5022                                       | 11.182                                       | 12.458                                       | 13.775                                       | 14.0381  | 25 377  | 105.2                                    |
| May                          | 200.69   | 1.7876                                       | 2.293                                    | 1.4894                                       | 11.082                                       | 12.222                                       | 13.594                                       | 13.9374  | 24 819  | 104.6                                    |
| Jun                          | 199.91   | 1.8275                                       | 2.285                                    | 1.5050                                       | 11.189                                       | 12.482                                       | 13.767                                       | 14.2499  | 25 178  | 105.8                                    |
| Jul                          | 201.66   | 1.8429                                       | 2.294                                    | 1.5023                                       | 11.170                                       | 12.730                                       | 13.818                                       | 14.3740  | 24 579  | 105.9                                    |
| Aug                          | 200.87   | 1.8216                                       | 2.297                                    | 1.4933                                       | 11.105                                       | 12.437                                       | 13.725                                       | 14.2077  | 25 189  | 105.2                                    |
| Sep                          | 197.32   | 1.7922                                       | 2.265                                    | 1.4676                                       | 10.916                                       | 12.268                                       | 13.337                                       | 13.9777  | 25 382  | 103.3                                    |
| Oct                          | 196.54   | 1.8065                                       | 2.229                                    | 1.4455                                       | 10.751                                       | 11.895                                       | 13.093                                       | 14.0707  | 25 557  | 102.2                                    |
| Nov                          | 194.76   | 1.8603                                       | 2.177                                    | 1.4311                                       | 10.635                                       | 11.658                                       | 12.877                                       | 14.4662  | 25 757  | 101.7                                    |
| Dec                          | 200.23   | 1.9275                                       | 2.212                                    | 1.4401                                       | 10.705                                       | 11.841                                       | 12.928                                       | 14.9890  | 25 908  | 103.2                                    |
| 2005 Jan                     | 193.97   | 1.8764                                       | 2.217                                    | 1.4331                                       | 10.664                                       | 11.783                                       | 12.979                                       | 14.6292  | 25 840  | 102.1                                    |
| Feb                          | 198.10   | 1.8871                                       | 2.248                                    | 1.4499                                       | 10.791                                       | 12.064                                       | 13.172                                       | 14.7185  | 26 080  | 103.3                                    |
| Mar                          | 200.51   | 1.9078                                       | 2.237                                    | 1.4440                                       | 10.753                                       | 11.821                                       | 13.126                                       | 14.8801  | 25 801  | 103.2                                    |
| Apr                          | 203.34   | 1.8960                                       | 2.267                                    | 1.4652                                       | 10.916                                       | 11.980                                       | 13.433                                       | 14.7865  | 26 103  | 104.4                                    |
| May                          | 197.70   | 1.8538                                       | 2.258                                    | 1.4611                                       | 10.877                                       | 11.805                                       | 13.428                                       | 14.4439  | 26 595  | 103.6                                    |
| Jun                          | 197.64   | 1.8179                                       | 2.302                                    | 1.4952                                       | 11.132                                       | 11.805                                       | 13.854                                       | 14.1362  | 26 844  | 104.9                                    |
| Jul                          | 195.99   | 1.7509                                       | 2.267                                    | 1.4547                                       | 10.850                                       | 11.523                                       | 13.717                                       | 13.6141  | 25 950  | 102.1                                    |
| Aug                          | 198.48   | 1.7943                                       | 2.266                                    | 1.4592                                       | 10.885                                       | 11.551                                       | 13.631                                       | 13.9444  | 25 437  | 102.8                                    |
| Sep                          | 200.86   | 1.8081                                       | 2.287                                    | 1.4761                                       | 11.009                                       | 11.527                                       | 13.779                                       | 14.0356  | 26 728  | 103.9                                    |
| Oct                          | 202.62   | 1.7640                                       | 2.273                                    | 1.4674                                       | 10.950                                       | 11.490                                       | 13.835                                       | 13.6823  | 26 435  | 103.1                                    |
| Nov                          | 205.41   | 1.7341                                       | 2.274                                    | 1.4719                                       | 10.980                                       | 11.522                                       | 14.080                                       | 13.4469  |   | 103.2                                    |

Average of daily Telegraphic Transfer rates in London.
 Prior to January 1999, a synthetic Euro has been calculated by geometrically averaging the bilateral exchange rates of the 11 Euro-area countries using "internal weights" based on each country's share of the extra Euro-area trade.

3 International reserves data are all valued at end-period market prices and ex-change rates. They additionally include other reserve assets such as repos (sale and purchase agreements) and derivatives. Full details are shown in Table 1.2I of *Financial Statistics*.

4 These figures fall outside the scope of National Statistics.

Source: Bank of England: Enquiries 020 7601 4342







# 6.2 Monetary aggregates<sup>1,3</sup>

|           |           | I                                | MO                                     |                                      | M4                     |                                |  |                                      |  |  |
|-----------|-----------|----------------------------------|--|--------------------------------------|------------------------|--------------------------------|--|--------------------------------------|--|--|
|           | Ai        | mount<br>ding <sup>2</sup> (NSA) |  |                                      | Am<br>outstand         | iount<br>ling (NSA)            |  |                                      |  |  |
|           | £ million | Annual<br>percentage<br>change   | Amount<br>outstanding<br>(£ million) + | Velocity of<br>circulation:<br>ratio | £ million              | Annual<br>percentage<br>change | Amount<br>outstanding<br>(£ million) + | Velocity of<br>circulation:<br>ratio |  |  |
| Annual    |           |                                  |  |                                      |                        |                                |  |                                      |  |  |
|           | AVAD      | VQNB                             | AVAE                                   | AVAM                                 | AUYM                   | VQLC                           | AUYN                                   | AUYU                                 |  |  |
| 2001      | 37 319    | 8.0                              | 35 097                                 | 29.75                                | 942 433                | 6.7                            | 943 664                                | 1.09                                 |  |  |
| 2002      | 39 540    | 6.0                              | 37 229'                                | 28.98                                | 1 008 678              | 7.3                            | 1 009 876                              | 1.08                                 |  |  |
| 2003      | 42 317    | 7.0                              | 39 931                                 | 28.50                                | 1081121                | 7.3                            | 1 082 337                              | 1.07                                 |  |  |
| 2004      | 44 400    | 5.1                              | 42 248                                 | 28.27                                | 11/911/                | 9.3                            | 1 180 420                              | 1.03                                 |  |  |
| Quarterly |           |                                  |  |                                      |                        | VOBY                           |  |                                      |  |  |
| 2001 Q1   | 32 489    | 8.4                              | 33 115 <sup>†</sup>                    | 29.92                                | 905 800                | 8.3                            | 905 450 <sup>†</sup>                   | 1.10                                 |  |  |
| Q2        | 32 896    | 6.5                              | 33 284                                 | 30.01                                | 921 571                | 7.6                            | 917 968                                | 1.10                                 |  |  |
| Q3        | 33 797    | 6.2                              | 33 941                                 | 29.67                                | 937 071                | 8.4                            | 939 723                                | 1.08                                 |  |  |
| Q4        | 37 319    | 8.0                              | 35 097                                 | 29.40                                | 942 433                | 6.7                            | 943 664                                | 1.08                                 |  |  |
| 2002 Q1   | 35 157    | 8.2                              | 35 550                                 | 29.06                                | 955 196                | 5.7                            | 955 346                                | 1.09                                 |  |  |
| Q2        | 36 225    | 10.1                             | 36 644                                 | 29.12                                | 975 699                | 6.1                            | 971 355                                | 1.09                                 |  |  |
| Q3        | 36 511    | 8.0                              | 36 674                                 | 28.95                                | 989 473                | 5.9                            | 992 474                                | 1.08                                 |  |  |
| Q4        | 39 540    | 6.0                              | 37 229                                 | 28.78                                | 1 008 678              | 7.3                            | 1 009 876                              | 1.07                                 |  |  |
| 2003 Q1   | 37 184    | 5.8                              | 37 899                                 | 28.84                                | 1 020 595              | 7.1                            | 1 021 083                              | 1.07                                 |  |  |
| Q2        | 38 403    | 6.0                              | 38 910                                 | 28.36                                | 1 047 982              | 7.9                            | 1 042 957                              | 1.07                                 |  |  |
| Q3        | 39 348    | 7.8                              | 39 514                                 | 28.42                                | 1 051 120              | 6.6                            | 1 054 469                              | 1.07                                 |  |  |
| Q4        | 42 317    | 7.0                              | 39 931                                 | 28.37                                | 1 081 121              | 7.3                            | 1 082 337                              | 1.06                                 |  |  |
| 2004 Q1   | 39 812    | 7.1                              | 40 593                                 | 28.43                                | 1 101 901              | 7.9                            | 1 102 605                              | 1.05                                 |  |  |
| Q2        | 41 109    | 7.0                              | 41 419                                 | 28.25                                | 1 133 485              | 8.0                            | 1 127 762                              | 1.04                                 |  |  |
| Q3        | 41 748    | 6.1                              | 41 802                                 | 28.21                                | 1 148 458 <sup>T</sup> | 9.0                            | 1 152 325                              | 1.03                                 |  |  |
| Q4        | 44 466    | 5.1                              | 42 248                                 | 28.21                                | 1 179 117              | 9.3                            | 1 180 420                              | 1.02                                 |  |  |
| 2005 Q1   | 42 395    | 6.5                              | 42 676                                 | 28.05                                | 1 216 988              | 10.6                           | 1 217 795                              | 1.00                                 |  |  |
| Q2        | 42 656    | 3.8                              | 42 982                                 | 28.17                                | 1 251 546              | 10.6                           | 1 245 049                              | 0.98                                 |  |  |
| Q3        | 43 969    | 5.3                              | 44 059                                 |                                      | 1 275 718              | 11.4                           | 1 280 201                              |                                      |  |  |
| Monthly   |           |                                  |  |                                      |                        |                                |  |                                      |  |  |
| 2003 Jul  | 38 938    | 8.0                              | 39 187                                 |                                      | 1 036 608              | 7 3                            | 1 038 645 <sup>†</sup>                 |                                      |  |  |
| Aug       | 39 579    | 7.9                              | 39 399                                 |                                      | 1 040 203              | 6.2                            | 1 039 894                              |                                      |  |  |
| Sep       | 39 348    | 7.8                              | 39 514                                 |                                      | 1 051 120              | 6.6                            | 1 051 305                              |                                      |  |  |
| Oct       | 39 416    | 7.3                              | 39 694                                 |                                      | 1 054 713              | 6.4                            | 1 053 686                              |                                      |  |  |
| Nov       | 40 149    | 8.0                              | 39 992                                 |                                      | 1 070 453              | 7.1                            | 1 067 892                              |                                      |  |  |
| Dec       | 42 317    | 7.0                              | 39 931                                 |                                      | 1 081 121              | 7.3                            | 1 079 988                              |                                      |  |  |
| 2004 Jan  | 40 222    | 8.0                              | 40 190                                 |                                      | 1 080 398              | 8.7                            | 1 089 850                              |                                      |  |  |
| Feb       | 39 448    | 6.8                              | 40 256                                 |                                      | 1 087 970              | 8.4                            | 1 096 045                              |                                      |  |  |
| Mar       | 39 812    | 7.1                              | 40 593                                 |                                      | 1 101 901              | 7.9                            | 1 099 173                              |                                      |  |  |
| Apr       | 40 799    | 5.7                              | 40 782                                 |                                      | 1 109 089              | 7.6                            | 1 106 164                              |                                      |  |  |
| May       | 40 668    | 4.7                              | 41 057                                 |                                      | 1 121 331              | 8.3                            | 1 117 955                              |                                      |  |  |
| Jun       | 41 109    | 7.0                              | 41 419                                 |                                      | 1 133 485              | 8.1                            | 1 124 755                              |                                      |  |  |
| Jul       | 41 115    | 5.6                              | 41 355                                 |                                      | 1 133 394              | 9.2                            | 1 133 705                              |                                      |  |  |
| Aug       | 41 489    | 4.8                              | 41 397                                 |                                      | 1 143 082              | 9.8                            | 1 144 806                              |                                      |  |  |
| Sep       | 41 748    | 6.1                              | 41 802                                 |                                      | 1 148 458 <sup>†</sup> | 9.0                            | 1 148 718                              |                                      |  |  |
| Oct       | 41 721    | 5.8                              | 42 000                                 |                                      | 1 158 204              | 9.6                            | 1 158 255                              |                                      |  |  |
| Nov       | 42 222    | 5.2                              | 42 053                                 |                                      | 1 166 540              | 8.9                            | 1 165 202                              |                                      |  |  |
| Dec       | 44 466    | 5.1                              | 42 248                                 |                                      | 1 179 117              | 9.3                            | 1 174 994                              |                                      |  |  |
| 2005 Jan  | 42 700    | 6.2                              | 42 459                                 |                                      | 1 177 455              | 9.2                            | 1 189 276                              |                                      |  |  |
| Feb       | 41 757    | 5.9                              | 42 624                                 |                                      | 1 189 021              | 9.5                            | 1 199 582                              |                                      |  |  |
| Mar       | 42 395    | 6.5                              | 42 676                                 |                                      | 1 216 988              | 10.6                           | 1 213 427                              |                                      |  |  |
| Apr       | 42 188    | 3.4                              | 42 723                                 |                                      | 1 224 132              | 10.6                           | 1 221 995                              |                                      |  |  |
| way       | 42 426    | 4.3                              | 42 815                                 |                                      | 1 242 527              | 11.2                           | 1 239 863                              |                                      |  |  |
| Jun       | 42 656    | 3.8                              | 42 982                                 |                                      | 1 201 546              | 10.7                           | 1 241 261                              |                                      |  |  |
| Jul       | 43 127    | 4.9                              | 43 359                                 |                                      | 1 256 395              | 11.1                           | 1 256 304                              |                                      |  |  |
| Aug       | 44 0/8    | 6.2                              | 43 926                                 |                                      | 1 254 /31              | 10.0                           | 1 257 136                              |                                      |  |  |
| Oct       | 40 909    | 0.0<br>E 0                       | 44 009                                 |                                      | 1 2/0 / 10             | 11.4                           | 1 2/4 404                              |                                      |  |  |
| OUL       | 43 920    | 5.5                              | 44 202                                 |                                      | 1 200 / 00             | 11.4                           | 1 209 049                              |                                      |  |  |

 1 A fuller range of monetary aggregates is published monthly in the ONS publication *Financial Statistics*.
 2 The monthly figures for M0 give the average of the amounts outstanding each Wednesday during the calendar month.

 3 These figures fall outside the scope of National Statistics .
 3 These figures fall outside the scope of National Statistics .



### Tables section

## 6.3 Counterparts to changes in money stock M4<sup>1,4</sup>

 $\ensuremath{\mathfrak{L}}$  million, not seasonally adjusted

|           | Purchases by the M4 <sup>2</sup><br>private sector of:         |                               | External<br>foreign cur<br>financino<br>public se | and<br>rency<br>g of<br>ctor  |                   | Banks'<br>and<br>Building<br>Soc-<br>iatias' | External and<br>foreign<br>currency<br>trans-            | Net non-<br>deposit<br>sterling<br>liabili-         |  |  |                      |
|-----------|--|-------------------------------|---|---|-------------------|--|--|---|--|--|----------------------|
|           | Public<br>Sector<br>Net Cash<br>Require-<br>ment+ <sup>3</sup> | Central<br>government<br>debt | Other<br>public<br>sector<br>debt                 | Purchase<br>of British<br>govern-<br>ment stocks<br>by overseas<br>sector | Other             | Public<br>sector<br>contribution<br>M4       | sterling<br>lending<br>to the<br>M4<br>private<br>sector | of UK<br>banks<br>and<br>building<br>soc-<br>ieties | UK<br>banks<br>and<br>building<br>soc-<br>ieties | External and<br>foreign<br>currency<br>counter-<br>parts | M4                   |
|           | 1  | 2                             | 3   | 4   | 5                 | 6  | 7  | 8   | 9  | 10   | 11                   |
| Annual    | ABEN   | RCMD                          | AVBV  | AVBZ  | AQGA              | AVBF   | AVBS   | AVBW  | AVBX   | VQLP   | AUZI                 |
| 2001      | 2 750 <sup>†</sup>   | 7 526 <sup>†</sup>            | 191   | 318   | 4 194             | 8 842  | 82 446   | -21 607   | -10 815  | 17 732   | 58 868               |
| 2002      | 18 316   | –9 148                        | –110  | 897   | 1 588             | 11 543                                       | 107 655  | -25 113   | -25 149  | 22 627   | 68 936               |
| 2003      | 38 829   | –31 962                       | –473  | 10 378  | -3 067            | –7 048                                       | 127 712  | -27 161   | -20 341  | 40 602   | 73 163               |
| 2004      | 41 389   | –30 771                       | –1 182 <sup>†</sup>                               | 2 235   | -158              | 7 042  | 156 087  | 4 463 <sup>†</sup>                                  | -67 477  | 2 070 <sup>†</sup>                                       | 100 115 <sup>†</sup> |
| Quarterly |  |                               |   |   |                   |  |  |   |  |  |                      |
| 2001 Q1   | -12 408 <sup>†</sup>   | 3 243 <sup>†</sup>            | -268  | -2 356  | 3 734             | -3 343                                       | 31 075   | -7 719  | 1 254  | -1 629   | 21 267               |
| Q2        | 6 421  | 2 972                         | 233   | 4 549   | 1 000             | 6 078  | 21 194   | -7 262  | 4 325  | -10 811  | 15 685               |
| Q3        | -6 103   | 4 439                         | 95  | -2 931  | 1 287             | 2 648  | 15 710   | 7 221   | 8 836  | 11 438   | 16 744               |
| Q4        | 9 340  | –3 128                        | 131   | 1 056   | –1 827            | 3 459  | 14 467   | -13 847   | 1 092  | -16 730  | 5 172                |
| 2002 Q1   | -6 179   | 2 873                         | -260  | -1 045  | 2 398             | -124   | 24 732   | -7 089  | -3 172   | -3 646   | 14 347               |
| Q2        | 7 087  | -4 266                        | 101   | -266  | -1 001            | 2 188  | 24 507   | 1 613   | -8 069   | 879  | 20 239               |
| Q3        | 399  | -2 120                        | 93  | -1 960  | 208               | 540  | 34 214   | -8 547  | -11 077  | -6 379   | 15 131               |
| Q4        | 17 009   | -5 635                        | -44   | 2 374   | -17               | 8 939  | 24 202   | -11 090   | -2 831   | -13 481  | 19 219               |
| 2003 Q1   | -318   | -4 248                        | 31  | 1 934   | 430               | -6 038                                       | 21 783   | 2 357   | -4 432   | 854  | 13 670               |
| Q2        | 16 293   | -8 454                        | –210  | 2 855   | -2 099            | 2 676  | 34 559   | -1 532  | -6 969   | 6 485  | 28 735               |
| Q3        | 5 852  | -10 522                       | –184  | 980   | -1 222            | -7 056                                       | 30 591   | -2 300  | -17 743  | 4 501  | 3 492                |
| Q4        | 17 002   | -8 738                        | –110  | 4 609   | -176              | 3 370  | 40 779   | -25 686   | 8 803  | 30 470   | 27 266               |
| 2004 Q1   | 282  | -11 958                       | -534  | 978   | 1 670             | -11 519                                      | 34 934   | 30 405  | -33 204  | 31 096   | 20 616               |
| Q2        | 11 692   | -1 846                        | -343 <sup>†</sup>                                 | 2 204   | -136              | 7 162  | 37 475   | 4 663   | -16 199  | 2 323  | 33 101               |
| Q3        | 7 216  | -11 055                       | -26   | 125   | -1 441            | -5 431                                       | 51 828   | –15 857 <sup>†</sup>                                | -16 348  | –17 423 <sup>†</sup>                                     | 14 192 <sup>†</sup>  |
| Q4        | 22 199   | -5 912                        | -279  | –1 072  | -251              | 16 830                                       | 31 850   | –14 748   | -1 726   | –13 926  | 32 206               |
| 2005 Q1   | -2 504   | -4 814                        | -394  | 8 258   | 1 411             | -14 558                                      | 31 683   | 18 380  | 1 980 <sup>†</sup>                               | 11 533   | 37 485               |
| Q2        | 16 506   | -6 020                        | -229  | 5 428   | -306 <sup>†</sup> | 4 523 <sup>†</sup>                           | 33 830 <sup>†</sup>                                      | 18 346  | –19 889  | 12 612   | 36 810               |
| Q3        | 8 287  | 1 301                         | 130   | 12 752 <sup>†</sup>   | -815              | -3 849                                       | 52 488   | –10 823   | –13 535  | –24 391  | 24 281               |
| Monthly   |  |                               |   |   |                   |  |  |   |  |  |                      |
| 2003 Jul  | -6 066 <sup>†</sup>  | -2 472 <sup>†</sup>           | -235  | -1 339  | 880               | -6 555                                       | 7 726  | -900  | -11 352  | 1 319  | -11 081              |
| Aug       | 3 454  | -5 675                        | 53  | 228   | -771              | -3 166                                       | 5 309  | -9 972  | 11 432   | -10 971  | 3 603                |
| Sep       | 8 464  | -2 375                        | -3  | 2 091   | -1 331            | 2 665  | 17 557   | 8 572   | -17 823  | 5 151  | 10 971               |
| Oct       | -1 576   | -5 271                        | -96   | -1 161  | 3 016             | -2 766                                       | 23 106   | -21 906   | 5 433  | -17 729  | 3 867                |
| Nov       | 5 551  | 1 071                         | -41   | 7 050   | -49               | -518   | 9 928  | 8 850   | -2 980   | 1 751  | 15 281               |
| Dec       | 13 026   | -4 538                        | 28  | -1 280  | -3 143            | 6 654  | 7 744  | -12 630   | 6 350  | -14 492  | 8 118                |
| 2004 Jan  | -14 375  | 493                           | -292  | -786  | 3 019             | -10 368                                      | 20 959   | 7 287   | -18 931  | 11 092   | -1 054               |
| Feb       | -68  | -4 662                        | 237   | 1 267   | 225               | -5 536                                       | 4 713  | 12 060  | -3 581   | 11 018   | 7 656                |
| Mar       | 14 724   | -7 789                        | -479  | 497   | -1 574            | 4 386  | 9 263  | 11 057  | -10 691  | 8 986  | 14 014               |
| Apr       | -2 239   | -2 121                        | -158 <sup>†</sup>                                 | -1 908  | 80                | -2 530                                       | 10 350   | 6 592   | -7 175   | 8 580  | 7 237                |
| May       | 3 207  | -1 617                        | -26   | 1 168   | -68               | 328  | 8 737  | 3 242   | 325  | 2 006  | 12 631               |
| Jun       | 10 724   | 1 892                         | -159  | 2 944   | -148              | 9 364  | 18 389   | -5 171  | -9 349   | 8 264  | 13 234               |
| Jul       | -6 886   | -4 326                        | 139   | -947  | -117              | -10 243                                      | 14 260   | 941   | -5 114   | 1 771  | -156                 |
| Aug       | 3 256  | 2 294                         | -106  | 3 248   | 409               | 2 605  | 15 348   | 6 241   | -1 700   | 9 080  | 10 013               |
| Sep       | 10 845   | -9 023                        | -58   | -2 176  | -1 733            | 2 208  | 22 219   | 10 557 <sup>†</sup>                                 | -9 534   | 10 114 <sup>†</sup>                                      | 4 336 <sup>†</sup>   |
| Oct       | -1 486   | -2 332                        | -118  | 1 345   | -56               | -5 337                                       | 14 820   | 5 608   | 5 877  | 7 009  | 9 751                |
| Nov       | 9 024  | 190                           | -43   | -1 944  | 286               | 11 401                                       | 2 130  | 1 075   | -2 775   | 1 155  | 9 681                |
| Dec       | 14 661   | -3 770                        | -118  | -473  | -480              | 10 766                                       | 14 901   | 8 065   | -4 828   | 8 072  | 12 773               |
| 2005 Jan  | -16 815  | -4 508                        | -2  | 927   | 1 714             | -20 539                                      | 16 670   | -3 684  | 6 033  | -2 897   | -1 519               |
| Feb       | 651  | 2 042                         | -161  | 2 650   | -406              | -523   | 4 483  | 14 852  | -7 241   | 11 797   | 11 571               |
| Mar       | 13 660   | -2 348                        | -231  | 4 681   | 103               | 6 504  | 10 530   | 7 212   | 3 188 <sup>†</sup>                               | 2 634  | 27 433               |
| Apr       | -963   | 1 289                         | -260  | 1 939   | -37               | -1 909                                       | 8 526  | 2 781   | -2 250   | 805  | 7 148                |
| May       | 5 154  | -4 115                        | 181   | -677  | -129              | 1 768  | 13 408   | 19 105  | -13 644  | 19 652   | 20 637               |
| Jun       | 12 316   | -3 194                        | -151  | 4 166   | -139 <sup>†</sup> | 4 664 <sup>†</sup>                           | 11 896 <sup>†</sup>                                      | -3 539  | -3 995   | -7 845   | 9 026                |
| Jul       | 8 452  | 1 184                         | 90  | 2 820   | 551               | -10 549                                      | 18 282   | -2 332  | -549   | 5 703  | 4 853                |
| Aug       | 4 768  | 2 773                         | 100   | 4 042   | 150               | 3 449  | 5 085  | -14 098   | 3 906  | 18 290   | -1 658               |
| Sep       | 11 970   | –2 656                        | –59   | 5 890 <sup>†</sup>  | 114               | 3 250  | 29 122   | 5 607   | -16 893  | 398  | 21 085               |
| Oct       | 4 940  | 732                           | –234  | 3 213   | 181               | -7 836                                       | 12 226   | 1 343   | 5 255  | 2 051  | 10 987               |

3 Formerly called the Public Sector Borrowing Requirement.
4 This table does not contain National Statistics data.

For most periods the relationships between the columns are as follows:
6 = 1 + 2 + 3 - 4 + 5; 10 = 4 + 5 + 8
11 = 1 + 2 + 3 + 7 + 9 + 10
1 A wider range of figures is published monthly in *Financial Statistics*.
2 The M4 private sector comprises all UK residents other than the public sector, banks and building societies.

Source: Bank of England; 020 7601 5467



\*Private sector other than banks and building societies

### 6.4 Public sector receipts and expenditure

£ million, not seasonally adjusted

|               | Public sector current expenditure                          |                |                           |                                    |                            |   | Public sector current receipts       |                           |                             |                                     |                     |                           |   |  |  |                              |
|---------------|--|----------------|---------------------------|------------------------------------|----------------------------|---|--------------------------------------|---------------------------|-----------------------------|-------------------------------------|---------------------|---------------------------|---|--|--|------------------------------|
|               | Current<br>expendi-<br>ture on<br>goods<br>and<br>services | Subsidi-<br>es | Net<br>Social<br>Benefits | Net<br>current<br>grants<br>abroad | Other<br>current<br>grants | Interest<br>paid to<br>private<br>sector<br>and RoW | Total<br>current<br>expendi-<br>ture | Operati-<br>ng<br>surplus | Taxes on<br>product-<br>ion | Taxes on<br>income<br>and<br>wealth | Taxes on<br>capital | Other<br>Current<br>taxes | Compuls-<br>ory<br>social<br>contrib-<br>utions | Interes-<br>t/divide<br>from<br>private-<br>/RoW | Rent and<br>other<br>current<br>transfe-<br>rs | Total<br>current<br>receipts |
| <b>Annual</b> | GZSN   | NMRL           | ANLY                      | GZSI                               | NNAI                       | ANLO  | ANLT                                 | ANBP                      | NMYE                        | ANSO                                | NMGI                | MJBC                      | ANBO  | ANBQ   | ANBS   | ANBT                         |
| 2002          | 210 654  | 5 266          | 123 288                   | -539                               | 24 218                     | 21 534  | 384 421                              | 16 278                    | 138 450 <sup>1</sup>        | 142 716                             | 2 381               | 20 360                    | 63 410  | 4 852  | 2 426  | 390 873 <sup>†</sup>         |
| 2003          | 231 543  | 6 243          | 130 308                   | -855                               | 28 780                     | 22 721  | 418 740                              | 17 293                    | 145 894                     | 144 021                             | 2 416               | 22 660                    | † 71 540  | 4 836  | 2 123  | 410 783                      |
| 2004          | 246 869 <sup>1</sup>                                       | 6 603          | 137 508                   | -428                               | 31 745 <sup>1</sup>        | 23 557 <sup>1</sup>                                 | 445 854                              | 17 172                    | 154 525                     | 154 968 <sup>1</sup>                | 2 881               | 24 171                    | 78 069  | 5 475  | † 2 033  | <sup>†</sup> 439 294         |
| Quarterly     | ,  |                |                           |                                    |                            |   |                                      |                           |                             |                                     |                     |                           |   |  |  |                              |
| 2002 Q1       | 50 871   | 1 204          | 30 075                    | 12                                 | 5 409                      | 5 236   | 92 807                               | 4 037                     | 32 685 <sup>†</sup>         | 45 805                              | 556                 | 4 812                     | 17 103  | 1 158  | 670  | 106 826 <sup>†</sup>         |
| Q2            | 52 712   | 1 332          | 29 977                    | –126                               | 6 067                      | 5 437   | 95 399                               | 3 933                     | 33 940                      | 28 544                              | 607                 | 5 172                     | 15 142  | 1 187  | 512  | 89 037                       |
| Q3            | 53 264   | 1 360          | 30 500                    | –375                               | 6 845                      | 4 631   | 96 225                               | 4 099                     | 35 828                      | 35 492                              | 619                 | 5 221                     | 15 278  | 1 230  | 743  | 98 510                       |
| Q4            | 53 807   | 1 370          | 32 736                    | –50                                | 5 897                      | 6 230   | 99 990                               | 4 209                     | 35 997                      | 32 875                              | 599                 | 5 155                     | 15 887  | 1 277  | 501  | 96 500                       |
| 2003 Q1       | 56 276   | 1 207          | 30 829                    | -75                                | 7 227                      | 5 321   | 100 785                              | 4 217                     | 34 077                      | 46 210                              | 545                 | 5 204                     | 17 222  | 1 243  | 661  | 109 379                      |
| Q2            | 57 925   | 2 044          | 31 540                    | -185                               | 7 388                      | 5 813   | 104 525                              | 4 118                     | 36 490                      | 29 368                              | 606                 | 5 807                     | 17 670  | 1 169  | 484  | 95 712                       |
| Q3            | 58 272   | 1 461          | 32 810                    | -295                               | 6 709                      | 5 398   | 104 355                              | 4 269                     | 36 546                      | 36 110                              | 631                 | 5 829                     | 18 245  | 1 173  | 491  | 103 294                      |
| Q4            | 59 070   | 1 531          | 35 129                    | -300                               | 7 456                      | 6 189   | 109 075                              | 4 689                     | 38 781                      | 32 333                              | 634                 | 5 820                     | 18 403  | 1 251  | 487  | 102 398                      |
| 2004 Q1       | 60 284 <sup>1</sup>  | 1 489          | 32 922                    | -222                               | 8 197                      | 5 467 <sup>1</sup>                                  | 108 137                              | 4 444                     | 36 887                      | 47 564 <sup>1</sup>                 | 650                 | 5 703                     | 20 830  | 1 260  | 487  | 117 825                      |
| Q2            | 61 118   | 1 800          | 33 743                    | -187                               | 7 533 <sup>1</sup>         | 5 651   | 109 658                              | 4 023                     | 38 407                      | 31 745                              | 731                 | 6 135                     | 18 454  | 1 347  | 526  | 101 368                      |
| Q3            | 61 998   | 1 503          | 34 210                    | -36                                | 8 598                      | 5 796   | 112 069                              | 4 072                     | 38 791                      | 39 334                              | 759                 | 6 188                     | 18 893  | 1 399  | 510  | 109 946                      |
| Q4            | 63 469   | 1 811          | 36 633                    | 17                                 | 7 417                      | 6 643   | 115 990                              | 4 633                     | 40 440                      | 36 325                              | 741                 | 6 145                     | 19 892  | 1 469  | 510  | 110 155                      |
| 2005 Q1       | 64 212   | 1 863          | 33 597                    | -374                               | 9 328                      | 6 436   | 115 062                              | 4 393                     | 37 342                      | 54 325                              | 713                 | 6 004                     | 22 096  | 1 454  | 504  | 126 831                      |
| Q2            | 65 734   | 1 616          | 34 476                    | 71                                 | 7 634                      | 6 516   | 116 047                              | 4 123                     | 39 517                      | 34 825                              | 804                 | 6 379                     | 19 820  | 1 288  | 487  | 107 243                      |
| Q3            | 65 738   | 1 653          | 36 163                    | -117                               | 8 146                      | 6 292   | 117 875                              | 4 678                     | 40 917                      | 43 664                              | 844                 | 6 678                     | 20 503  | 1 375  | 470  | 119 129                      |

Sources: Office for National Statistics; Enquiries 020 7533 5987

£ million<sup>5</sup>, not seasonally adjusted

## 6.5 Public sector key fiscal indicators<sup>1</sup>

Net investment<sup>3</sup> Net borrowing<sup>4</sup> Surplus on current budget<sup>2</sup> Public sector net debt Net cash requirement General General General General £ billion<sup>6</sup> % of GDP<sup>7</sup> Government Public Sector Government Public Sector Government Public Sector Government Public Sector Annual RURO RUTN RUTO ANLW ANMU -ANNV -ANNW NNBK ANNX BUUS -4 978 10 752 -15 730 2002 -7 243 9 972 -1721516 421 18 227 345.2 32.1 38 214 41 321<sup>†</sup> -20 454 -22 182 14 489 -35 491 -36 671 38 965 376.9 33.2 2003 15 037 –21 317<sup>1</sup> -37 753 -37 740 17 499<sup>1</sup> 41 282<sup>1</sup> 2004 -20 254 16 423 419.0 35.3 Quarterly 11 284<sup>†</sup> 2002 Q1 10 730 -9 731 4 891 4 713 785 6 393 6 0 1 7 -6 383 7 126 -6 323 7 069 311.7 30.1 -10 236 -9 168 1 068 -10 516 30.4 Q2 318.7 -730 -1 145 2 224 -3 348 -3 369 -145 402 321.8 30.3 Q3 2 618 Q4 -6 364 -7 097 2 175 2 250 -8 539 -9 347 15 823 17 079 345.2 32.1 2003 Q1 5 839 4 989 5 942 6 285 -1 296 -1 305 -413 342.4 -103 31.4 Q2 -11 834 -12 321 2 015 1 613 -13 849 -13 934 16 404 16 286 350.8 31.7 03 -4 247 -4 586 3 4 4 4 3 200 -7691-77866 0 3 6 5 923 17 169 356 1 31.8 17 079 33.2 -10 212 -10 264 3 6 3 6 3 391 -13 848 -13 655 376.9 Q4 5 514<sup>†</sup> 6 050<sup>†</sup> 620<sup>1</sup> 486<sup>†</sup> 2004 Q1 6 4 6 7 5 4 3 0 953 115 377.3 390.2 32.8 2 932 -11 949 3 281 -14 855 Q2 -11574-14 881 11 577 11 655 33.5 Q3 -5 485 -5 817 3 969 3 573 -9 454 -9 390 6 968 7 335 396.4 33.7 Q4 -9 662 -9 601 4 735 4 488 -14 397 -14 089 22 290 22 177 419.0 35.3 34.7 2005 Q1 8 269 8 000 8 596 8 991 -327 -991 -2 098 -2 567 416.7 Q2 -12 042 -12 617 2 895 2 557 -14 937 -15 174 15 266 16 544 432.3 35.7 Q3 -2 641 -2 589 5 2 5 3 4 965 -7894-7 554 8 4 5 5 8 331 440.2 35.9 4 Net borrowing = surplus on current budget minus net investment.

1 National accounts entities as defined under the European System of Accounts 1995 (ESA95). 2 Net saving, plus capital taxes

5 Unless otherwise stated

3 Gross capital formation, plus payments less receipts, of investment grants less depreciation

6 Net amount outstanding at end of period. 7 Net debt at end of the month, Gross domestic product at market prices for 12 months centred on the end of the month.

Sources: Office for National Statistics; Enquiries 020 7533 5984



Public sector finances

£ million

# 6.6 Consumer credit and other household sector borrowing

|             | Consumer credit     |                           |                    |                    |                        |                  |                |            |                     |
|-------------|---------------------|---------------------------|--------------------|--------------------|------------------------|------------------|----------------|------------|---------------------|
|             | Total consumer      | of whic                   | h                  |                    | Building<br>Societies' | Other            |                | Insurance  | Loans secured       |
|             | credit              | credit cards <sup>2</sup> | other <sup>2</sup> | Banks              | Class 3 Loans          | lenders          | Retailers      | companies  | (NSA <sup>1</sup> ) |
| Amounts out | standing: quarterly |                           |                    |                    |                        |                  |                |            |                     |
| 2000 01     | VZRI                | VZRJ                      | VZRK               | VRVV               | VZRG                   | VZRH             | RLBO           | VZQZ       | AMWT                |
| 2000 Q1     | 119 279             | 33 450                    | 85 870             | 80 029             | 314                    | 28 852           | 2 663          | 1 4 1 5    | 503 376             |
| 03          | 122 009             | 36 200                    | 88.062             | 00 720             | 3/0                    | 20 937           | 2 013          | 1 272      | 525 523             |
| Q4          | 127 329             | 37 620                    | 89 584             | 94 313             | 391                    | 29 009           | 2 503          | 1 197      | 535 391             |
| 2001 Q1     | 129 067             | 38 009                    | 91 127             | 95 812             | 411                    | 29 122           | 2 523          | 1 229      | 546 179             |
| Q2          | 132 926             | 39 416                    | 93 516             | 100 285            | 423                    | 28 329           | 2 509          | 1 221      | 561 121             |
| Q3          | 136 046             | 40 001                    | 96 048             | 103 451            | 446                    | 28 473           | 2 522          | 1 206      | 576 957             |
| Q4          | 140 983             | 41 758                    | 99 174             | 107 849            | 435                    | 29 103           | 2 478          | 1 178      | 591 152             |
| 2002 Q1     | 144 261             | 43 396                    | 100 928            | 110 985            | 462                    | 29 191           | 2 505          | 1 183      | 606 222             |
| Q2          | 147 171             | 43 429                    | 103 741            | 113 135            | 458                    | 29 630           | 2 574          | 1 193      | 625 670             |
| Q3          | 153 007             | 45 957                    | 107 004            | 118 383            | 520                    | 30 414           | 2 561          | 1 196      | 652 553             |
| Q4          | 157 120             | 47 246                    | 109 886            | 121 003            | 606                    | 31 833           | 2 532          | 1 182      | 675 180             |
| 2003 Q1     | 156 476             | 43 798                    | 112 662            | 116 730            | 622                    | 35 664           | 2 522          | 1 033      | 695 615             |
| Q2          | 161 131             | 45 788                    | 115 296            | 119 667            | 668                    | 37 427           | 2 220          | 933        | 718 271             |
| Q3<br>Q4    | 164 392<br>166 394  | 47 632<br>47 760          | 116 /21<br>118 751 | 121 946<br>122 890 | 732<br>762             | 38 778<br>39 971 | 2 167<br>2 144 | 824<br>701 | 746 267<br>774 548  |
| 2004 01     | 170 180             | 48 970                    | 121 165            | 127 063            | 750                    | 30 685           | 2 072          | 690        | 708 753             |
| 2004 Q1     | 170 180             | 40 970                    | 121 105            | 127 003            | 750                    | 40 077           | 2 0/2          | 698        | 826 107             |
| 03          | 178 391             | 51 754                    | 126 629            | 134 006            | 836                    | 40 901           | 1 989          | 676        | 853 731             |
| Q4          | 182 253             | 53 696                    | 128 655            | 137 289            | 904                    | 41 570           | 1 936          | 661        | 876 879             |
| 2005 Q1     | 186 625             | 55 219                    | 131 352            | 140 383            | 947                    | 42 818           | 1 867          | 651        | 892 817             |
| Q2          | 189 214             | 55 791                    | 133 368            | 141 669            | 978                    | 43 970           | 1 811          | 642        | 916 638             |
| Q3          | 190 687             | 56 017                    | 134 710            | 141 840            | 1 066                  | 45 358           | 1 772          | 629        |                     |
| Amounts out | standing: monthly   |                           |                    |                    |                        |                  |                |            |                     |
| 2003 Jan    | 157 740             | 47 502                    | 110 2387           | 121 304            | 5987                   | 32 033           | 2 5437         | 1 143      |                     |
| Feh         | 154 749             | 43 638                    | 111 111            | 119 916            | 613                    | 30 348           | 2 540          | 1 089      |                     |
| Mar         | 156 106             | 43 678                    | 112 428            | 116 304            | 629                    | 35 462           | 2 512          | 1 033      |                     |
| Apr         | 157 454             | 44 153                    | 113 301            | 116 895            | 655                    | 36 549           | 2 493          | 990        |                     |
| May         | 159 223             | 45 019                    | 114 204            | 118 202            | 653                    | 36 706           | 2 474          | 959        |                     |
| Jun         | 160 721             | 45 634                    | 115 087            | 119 297            | 681                    | 37 534           | 2 215          | 933        |                     |
| Jul         | 162 177             | 46 310                    | 115 868            | 120 811            | 694                    | 37 697           | 2 198          | 904        |                     |
| Aug         | 163 327             | 46 884                    | 116 443            | 121 725            | 709                    | 37 677           | 2 191          | 868        |                     |
| Sep         | 164 122             | 47 597                    | 116 525            | 121 730            | 721                    | 38 821           | 2 153          | 824        |                     |
| Oct         | 165 516             | 48 017                    | 117 500            | 122 125            | 728                    | 39 884           | 2 151          | 776        |                     |
| Nov         | 166 241             | 47 923                    | 118 318            | 122 749            | 726                    | 40 128           | 2 154          | 732        |                     |
| Dec         | 100 239             | 47 554                    | 110 000            | 122 / /4           | 735                    | 39 994           | 2 142          | 701        |                     |
| 2004 Jan    | 167 596             | 48 138                    | 119 458            | 125 415            | 743                    | 38 524           | 2 092          | 686        |                     |
| Feb         | 169 202             | 48 572                    | 120 630            | 126 841            | 749                    | 38 831           | 2 042          | 684        |                     |
| Apr         | 109 902             | 48 874                    | 121 089            | 120 957            | 759                    | 39 49 1          | 2 065          | 690<br>697 |                     |
| May         | 171 545             | 49 809                    | 122 619            | 120 404            | 770                    | 39 534           | 2 005          | 700        | ••                  |
| Jun         | 174 245             | 50 281                    | 123 963            | 130 694            | 789                    | 40 208           | 2 034          | 698        |                     |
| Jul         | 176 039             | 51 351                    | 124 688            | 132 120            | 801                    | 40 353           | 2 020          | 692        |                     |
| Aug         | 177 166             | 51 439                    | 125 727            | 132 615            | 809                    | 40 772           | 1 986          | 684        |                     |
| Sep         | 178 196             | 51 666                    | 126 530            | 134 007            | 822                    | 40 991           | 1 975          | 676        |                     |
| Oct         | 179 501             | 52 280                    | 127 221            | 135 513            | 833                    | 41 000           | 1 965          | 669        |                     |
| Nov         | 181 351             | 53 051                    | 128 300            | 136 539            | 849                    | 41 526           | 1 949          | 664        |                     |
| Dec         | 182 169             | 53 484                    | 128 686            | 137 114            | 876                    | 41 498           | 1 935          | 661        |                     |
| 2005 Jan    | 184 089             | 54 393                    | 129 696            | 138 500            | 893                    | 41 755           | 1 911          | 658        |                     |
| Feb         | 185 361             | 54 909                    | 130 451            | 139 400            | 912                    | 42 128           | 1 884          | 655        |                     |
| Mar         | 186 441             | 55 131                    | 131 310            | 140 429            | 958                    | 42 668           | 1 861          | 651        |                     |
| Apr         | 100 935             | 54 967                    | 132 696            | 140 033            | 940                    | 42 930           | 1 035          | 648<br>645 |                     |
| Jun         | 188 904             | 55 640                    | 133 264            | 141 691            | 904                    | 44 099           | 1 805          | 642        |                     |
| J. J        | 100 500             | CC 007                    | 100 775            | 140.040            | 1 000                  | 14 150           | 1 705          | 000        |                     |
| Jui<br>Aua  | 189 582             | 55 807<br>56 094          | 133 775            | 142 049<br>142 180 | 1 029                  | 44 152<br>44 419 | 1 782          | 638<br>634 |                     |
| Sep         | 190 539             | 55 848                    | 134 692            | 141 684            | 1 053                  | 45 480           | 1 758          | 629        |                     |
| Oct         | 191 237             | 56 257                    | 134 980            | 141 355            | 1 075                  | 46 636           | 1 736          | 624        |                     |
| Nov         | 192 072             | 56 354                    | 135 717            | 142 087            | 1 085                  | 46 746           | 1 709          | 619        |                     |

These figures fall outside the scope of National Statistics.
 From January 1999 onwards, a more accurate breakdown between credit card and 'other lending' is available.

Credit card lending by other specialist lenders can now be separately identified and is included within the credit card component. Hence, data from January 1999 onwards are not directly comparable with earlier periods. Source: Office for National Statistics; Enquiries Columns 1- 8 01633 812782





<sup>\*</sup>Other is the sum of Retailers, Insurance companies and Building society class 3 loans

#### Analysis of bank lending to UK residents<sup>1,3</sup> 6.7 Amounts outstanding

|                      |                               |                            |                               |                               | £ milli                               | on, not seasonally adjusted              |
|----------------------|-------------------------------|----------------------------|-------------------------------|-------------------------------|---------------------------------------|--|
|                      | Manufacturing <sup>2</sup>    | Other production           | Financial                     | Services                      | Individuals                           | Total loans, advances<br>and acceptances |
| Total Loans, Advar   | ices, Acceptances and Sterl   | ing Commercial paper       |                               |                               |                                       |  |
| 2004 Q3<br>Q4        | TBSF<br>41 789<br>41 315      | BCEX<br>34 098<br>33 801   | BCFH<br>465 256<br>472 690    | BCFR<br>269 605<br>276 838    | TBTW<br>651 188<br>667 615            | TBSA<br>1 461 936<br>1 492 258           |
| 2005 Q1<br>Q2<br>Q3  | 41 160<br>43 892<br>44 538    | 36 157<br>40 642<br>41 118 | 490 834<br>497 342<br>501 576 | 280 212<br>296 820<br>307 164 | 667 560<br>674 527<br>690 034         | 1 515 924<br>1 553 222<br>1 584 430      |
| Of which in sterling |                               |                            |                               |                               |                                       |  |
| 2004 Q3<br>Q4        | TBUF<br>29 527<br>29 102      | BCEY<br>31 346<br>30 870   | BCFI<br>239 330<br>244 248    | BCFS<br>251 547<br>258 166    | TBVW<br>650 440<br>666 816            | TBUA<br>1 202 189<br>1 229 202           |
| 2005 Q1<br>Q2<br>Q3  | 29 449<br>30 466<br>31 060    | 32 943<br>36 853<br>37 571 | 243 283<br>250 928<br>260 562 | 261 800<br>277 027<br>284 904 | 666 693<br>673 685<br>688 891         | 1 234 167<br>1 268 959<br>1 302 988      |
| Changes in total le  | nding (sterling)              |                            |                               |                               |                                       |  |
| 2004 Q3<br>Q4        | TBWF<br>-700<br>-424          | BCEZ<br>767<br>–476        | BCFJ<br>12 657<br>5 318       | BCFT<br>12 797<br>7 083       | TBXW<br>16 055<br>16 490              | TBWA<br>41 576<br>27 991                 |
| 2005 Q1<br>Q2<br>Q3  | 346<br>1 286<br>594           | 2 073<br>3 934<br>718      | -3 039<br>11 815<br>9 634     | 3 634<br>15 836<br>7 985      | 2 351<br>8 498 <sup>†</sup><br>16 805 | 5 366<br>41 368 <sup>†</sup><br>35 736   |
| Changes in total le  | nding (foreign currencies)    | DOEA                       | DOEK                          | DOFU                          |                                       |  |
| 2004 Q3<br>Q4        | -38<br>50                     | –53<br>230                 | -10 122<br>5 208              | 1 646<br>1 024                | 98<br>64                              | -8 469<br>6 577                          |
| 2005 Q1<br>Q2<br>Q3  | -383<br>1 488<br>-116         | 296<br>517<br>–288         | 21 428<br>-4 193<br>-8 209    | -109<br>1 096<br>2 249        | 75<br>42<br>292                       | 21 307<br>-1 133 <sup>†</sup><br>-6 072  |
| Facilities granted   | 7045                          | DOED                       |                               |                               | TODU                                  | 7014                                     |
| 2004 Q3<br>Q4        | 80 535<br>80 540              | 65 844<br>67 658           | 525 645<br>532 527            | 375 653<br>387 539            | 739 016<br>754 796                    | 1 786 692<br>1 823 061                   |
| 2005 Q1<br>Q2<br>Q3  | 81 867<br>85 566<br>83 725    | 69 892<br>73 995<br>75 039 | 548 170<br>556 152<br>565 972 | 392 545<br>414 086<br>423 447 | 754 636<br>762 234<br>783 300         | 1 847 111<br>1 892 032<br>1 931 483      |
| Of which in sterling |                               |                            |                               |                               |                                       |  |
| 2004 Q3<br>Q4        | TCCF<br>51 222<br>51 962      | BCFC<br>52 027<br>53 583   | BCFM<br>279 288<br>284 725    | BCFW<br>335 638<br>347 690    | TCDW<br>738 108<br>753 817            | TCCA<br>1 456 283<br>1 491 778           |
| 2005 Q1<br>Q2<br>Q3  | 53 207<br>53 016<br>51 667    | 54 301<br>57 660<br>58 242 | 281 433<br>286 974<br>300 733 | 351 154<br>369 675<br>375 679 | 753 604<br>761 217<br>781 965         | 1 493 699<br>1 528 542<br>1 568 286      |
| Changes in sterling  | g (facilities granted)        | 5055                       | DOEN                          |                               | TOPM                                  | 7054                                     |
| 2004 Q3<br>Q4        | -1 433<br>741                 | BCFD<br>2 645<br>1 556     | BCFN<br>15 112<br>5 837       | BCFX<br>16 275<br>12 516      | 15 564<br>15 823                      | 48 163<br>36 473                         |
| 2005 Q1<br>Q2<br>Q3  | 1 244<br>86<br>–1 349         | 718<br>3 383<br>582        | -5 366<br>12 318<br>13 759    | 3 464<br>19 155<br>6 112      | 2 262<br>8 906†<br>22 347             | 2 322<br>43 847 <sup>†</sup><br>41 451   |
| Changes in foreign   | currencies (facilities grante | ed)                        | <b>D2-</b> 2                  |                               | <b>T</b> 0.00                         |  |
| 2004 Q3<br>Q4        | TCGF<br>237<br>–69            | BCFE<br>361<br>704         | BCFO<br>8 606<br>4 803        | BCFY<br>1 601<br>983          | 1 CHW<br>52<br>85                     | TCGA<br>6 355<br>6 506                   |
| 2005 Q1<br>Q2<br>Q3  | 158<br>3 022<br>–898          | 1 487<br>194<br>244        | 21 216<br>644<br>–7 010       | 1 621<br>1 884<br>2 812       | 60<br>–35<br>306                      | 24 543<br>5 709<br>4 546                 |

1 Comprises loans advances (including under reverse repos), finance leasing, acceptances, facilities and holdings of sterling commercial paper issued by acceptances, facilities and holdings of sterling commercial paper issued by UK residents, provided by reporting banks to their UK resident non-bank and non-building society customers. This analysis is based on Standard In-dustrial Classification of 1992 and excludes lending to residents in the Channel Islands and the Isle of Man which are classified as non-residents for statistical purposes from end-September 1997. Holdings of investments and bills and adjustments for transit items are no longer included. For a more detailed breakdown of these data, see *Financial Statistics* Table 4.5B.

2 Includes lending under DTI special scheme for domestic shipbuilding. 3 These figures fall outside the scope of National Statistics.

Source: Bank of England; Enquiries 020 7601 5360



### Analysis of bank lending to UK residents: Total Loans, Advances, Acceptances and Sterling Commercial Paper

Percentage rate

# **6.8** Interest rates and yields<sup>4</sup>

|          | Last Friday                         |   |   |  |  |                                     | Last working day                   | Average of<br>working days   |
|----------|-------------------------------------|---|---|--|--|-------------------------------------|------------------------------------|--|
|          | Treasury bill<br>yield <sup>1</sup> | Inter-<br>bank<br>3 months<br>bid rate <sup>3</sup> | Inter-<br>bank<br>3 months<br>offer rate <sup>2</sup> | Sterling certif-<br>icates<br>of deposit<br>3 months<br>bid rate | Sterling certif-<br>icates<br>of deposit<br>3 months<br>offer rate | Selected retail<br>banks: base rate | Euro-<br>dollar<br>3 month<br>rate | British<br>govern-<br>ment<br>securities:<br>long dated <sup>3</sup><br>- 20 years |
| Annual   |                                     |   |   |  |  |                                     |                                    |  |
|          | AJRP                                | HSAJ  | HSAK  | HSAL   | HSAM   | ZCMG                                | AJIB                               | AJLX   |
| 2002     | 3.92                                | 3.94  | 3.96  | 3.90   | 3.94   |                                     | 1.35                               | 4.83   |
| 2003     | 3.90                                | 3.95  | 3.98  | 3.95   | 3.98   |                                     | 1.10                               | 4.64   |
| 2004     | 4.75                                | 4.81  | 4.84  | 4.78   | 4.82   |                                     | 2.56                               | 4.77   |
| Monthly  |                                     |   |   |  |  |                                     |                                    |  |
| 2002 Jan | 3.90                                | 3.97  | 4.03  | 3.97   | 3.99   | 4.00                                | 1.86                               | 4.81   |
| Feb      | 3.91                                | 3.97  | 4.00  | 3.91   | 3.95   | 4.00                                | 1.85                               | 4.83   |
| Mar      | 4.04                                | 4.09  | 4.16  | 4.09   | 4.11   | 4.00                                | 2.00                               | 5.11   |
| Apr      | 3.98                                | 4.06  | 4.13  | 4.05   | 4.06   | 4.00                                | 1.86                               | 5.13   |
| May      | 4.04                                | 4.09  | 4.13  | 4.09   | 4.11   | 4.00                                | 1.82                               | 5.18   |
| Jun      | 3.97                                | 4.06  | 4.09  | 4.05   | 4.07   | 4.00                                | 1.83                               | 5.02   |
| Jul      | 3.75                                | 3.94  | 3.97  | 3.92   | 3.94   | 4.00                                | 1.75                               | 4.90   |
| Aug      | 3.86                                | 3.91  | 3.97  | 3.91   | 3.93   | 4.00                                | 1.80                               | 4.64   |
| Sep      | 3.81                                | 3.88  | 3.91  | 3.85   | 3.86   | 4.00                                | 1.74                               | 4.45   |
| Oct      | 3.73                                | 3.88  | 3.91  | 3.85   | 3.87   | 4.00                                | 1.64                               | 4.59   |
| Nov      | 3.86                                | 3.94  | 3.98  | 3.94   | 3.95   | 4.00                                | 1.42                               | 4.64   |
| Dec      | 3.92                                | 3.94  | 3.96  | 3.90   | 3.94   | 4.00                                | 1.35                               | 4.62   |
| 2003 Jan | 3.79                                | 3.88  | 3.91  | 3.88   | 3.89   | 4.00                                | 1.29                               | 4.44   |
| Feb      | 3.49                                | 3.59  | 3.64  | 3.60   | 3.62   | 3.75                                | 1.30                               | 4.39   |
| Mar      | 3.51                                | 3.57  | 3.61  | 3.57   | 3.59   | 3.75                                | 1.25                               | 4.54   |
| Apr      | 3.47                                | 3.55  | 3.58  | 3.54   | 3.56   | 3.75                                | 1.28                               | 4.67   |
| May      | 3.44                                | 3.54  | 3.57  | 3.55   | 3.55   | 3.75                                | 1.22                               | 4.46   |
| Jun      | 3.50                                | 3.55  | 3.59  | 3.55   | 3.56   | 3.75                                | 1.09                               | 4.39   |
| Jul      | 3.32                                | 3.36  | 3.40  | 3.36   | 3.38   | 3.50                                | 1.06                               | 4.65   |
| Aug      | 3.53                                | 3.54  | 3.57  | 3.54   | 3.56   | 3.50                                | 1.11                               | 4.68   |
| Sep      | 3.59                                | 3.66  | 3.67  | 3.63   | 3.65   | 3.50                                | 1.13                               | 4.76   |
| Oct      | 3.81                                | 3.86  | 3.90  | 3.85   | 3.87   | 3.50                                | 1.13                               | 4.88   |
| INOV     | 3.86                                | 3.90  | 3.94  | 3.90   | 3.92   | 3.75                                | 1.12                               | 4.95   |
| Dec      | 3.90                                | 3.95  | 3.98  | 3.95   | 3.98   | 3.75                                | 1.10                               | 4.83   |
| 2004 Jan | 4.00                                | 4.05  | 4.10  | 4.06   | 4.08   | 3.75                                | 1.08                               | 4.75   |
| Feb      | 4.11                                | 4.11  | 4.16  | 4.12   | 4.14   | 4.00                                | 1.07                               | 4.78   |
| Mar      | 4.24                                | 4.30  | 4.33  | 4.30   | 4.32   | 4.00                                | 1.05                               | 4.67   |
| Apr      | 4.31                                | 4.35  | 4.39  | 4.35   | 4.37   | 4.00                                | 1.11                               | 4.87   |
| May      | 4.54                                | 4.56  | 4.59  | 4.55   | 4.59   | 4.25                                | 1.24                               | 4.98   |
| Jun      | 4.65                                | 4.//  | 4.79  | 4.74   | 4.78   | 4.50                                | 1.56                               | 5.00   |
| Jul      | 4.80                                | 4.86  | 4.89  | 4.87   | 4.88   | 4.50                                | 1.64                               | 4.92   |
| Aug      | 4.77                                | 4.88  | 4.90  | 4.88   | 4.90   | 4.75                                | 1.78                               | 4.81   |
| Sep      | 4.73                                | 4.82  | 4.86  | 4.83   | 4.85   | 4.75                                | 1.98                               | 4.76   |
| Oct      | 4.73                                | 4.81  | 4.84  | 4.82   | 4.84   | 4.75                                | 2.14                               | 4.68   |
| Nov      | 4.69                                | 4.77  | 4.80  | 4.76   | 4.80   | 4.75                                | 2.38                               | 4.58   |
| Dec      | 4.75                                | 4.81  | 4.84  | 4.78   | 4.82   | 4.75                                | 2.50                               | 4.44   |
| 2005 Jan | 4.71                                | 4.79  | 4.81  | 4.77   | 4.81   | 4.75                                | 2.75                               | 4.44   |
| ⊢eb      | 4.79                                | 4.87  | 4.90  | 4.86   | 4.90   | 4.75                                | 2.90                               | 4.53   |
| Mar      | 4.82                                | 4.90  | 4.93  | 4.88   | 4.92   | 4.75                                | 3.04                               | 4.74   |
| Apr      | 4.75                                | 4.86  | 4.88  | 4.85   | 4.89   | 4.75                                | 3.18                               | 4.60   |
| iviay    | 4.70                                | 4.79  | 4.01  | 4./8   | 4.82   | 4.75                                | 3.31                               | 4.41   |
| JUII     | 4.37                                | 4.09  | 4.73  | 4.09   | 4.73   | 4.75                                | 3.31                               | 4.29   |
| Jul      | 4.48                                | 4.54  | 4.56  | 4.53   | 4.57   | 4.75                                | 3.67                               | 4.33   |
| Aug      | 4.43                                | 4.52  | 4.54  | 4.51   | 4.55   | 4.50                                | 3.84                               | 4.34   |
| Sep      | 4.45                                | 4.52  | 4.55  | 4.52   | 4.56   | 4.50                                | 4.07                               | 4.26   |
| UCT      | 4.47                                | 4.54  | 4.56  | 4.53   | 4.57   | 4.50                                | 4.24                               | 4.36   |
| INOV     | 4.46                                | 4.55  | 4.58  | 4.54   | 4.58   | 4.40                                | 4.41                               | 4.25   |

Average discount rate expressed as the rate at which interest is earned during the life of the bills.
 Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 am.
 Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields - see *Financial Statistics Explanatory Handbook*.

4 These figures fall outside the scope of National Statistics.

Sources: Bank of England; Enquiries 020 7601 4342.



# 6.9 A selection of asset prices

Not seasonally adjusted

|           | Producer p<br>(2000  | price indices<br>= 100)              | Housing:ODPM all le         | Housing:ODPM all lenders mix adjusted house price index (2002 = 100) |                            |  |  |
|-----------|--|--------------------------------------|-----------------------------|--|----------------------------|--|--|
|           | Plant and machinery<br>bought as fixed<br>assets by<br>Motor vehicle<br>industry | Manufactured output<br>Motor vehicle | New dwellinge <sup>1</sup>  | Secondhand   | All dwellings <sup>1</sup> | Average price<br>of agricultural<br>land in England<br>(1995 – 100) <sup>2</sup> |  |
|           | inductry   | induotry                             | New amoninge                | dwollingo  | 7 in divoliningo           | (1000 - 100)   |  |
| Annual    |  |                                      |                             |  |                            |  |  |
| 0004      | PVJL   | PQIR                                 | WMPN                        | WMPP   | WMPQ                       | BAJI   |  |
| 2001      | 102.0  | 95.4                                 | 90.3                        | 95.7   | 95.1                       | 155  |  |
| 2002      | 100.2  | 95.2                                 | 108.7                       | 111.6  | 111.2                      | 144  |  |
| 2003      | 99.5<br>98.9   | 94.0<br>96.1                         | 126.4                       | 129.0  | 143.9                      | 147  |  |
| Quarterly |  |                                      |                             |  |                            |  |  |
|           |  |                                      |                             |  |                            | 3  |  |
| 2001 Q1   | 102.9  | 95.4                                 | 90.8                        | 92.1   | 92.1                       | 156 <sup>3</sup>   |  |
| 03        | 103.1  | 95.5                                 | 90.8                        | 96.0   | 95.4                       | 140 <sup>-1</sup><br>160 <sup>3</sup>  |  |
| 04        | 101.2  | 95.4                                 | 95.4                        | 96.9   | 96.8                       | 154 <sup>3</sup>   |  |
| G         | 101.1  | 00.1                                 | 00.1                        | 00.0   | 00.0                       | 101  |  |
| 2002 Q1   | 101.0  | 95.6                                 | 100.0                       | 100.0  | 100.0                      | 130 <sup>3</sup>   |  |
| Q2        | 100.5  | 95.5                                 | 106.5                       | 108.4  | 108.2                      | 139 <sup>3</sup>   |  |
| Q3        | 100.0  | 94.9                                 | 111.0                       | 116.1  | 115.5                      | 152 <sup>3</sup>   |  |
| Q4        | 99.2   | 94.9                                 | 117.1                       | 121.8  | 121.3                      | 148 <sup>3</sup>   |  |
| 2003 Q1   | 99.1   | 94.6                                 | 119.3                       | 124.0  | 123.4                      | 136 <sup>3</sup>   |  |
| 02        | 99.7   | 94.1                                 | 127.2                       | 127.3  | 120.4                      | 14831  |  |
| Q3        | 99.9   | 94.5                                 | 127.9                       | 131.1  | 130.7                      | 169 <sup>3</sup>   |  |
| Q4        | 99.5   | 95.1                                 | 131.8                       | 133.7  | 133.4                      | 145 <sup>3</sup>   |  |
|           |  | 05.5                                 | 100.0                       | 105.0  | 101.0                      | 4 3  |  |
| 2004 Q1   | 98.8   | 95.5                                 | 130.8                       | 135.2  | 134.6                      | 155°<br>156 <sup>3</sup>   |  |
| 03        | 99.0   | 90.2                                 | 1/3 1                       | 145.1  | 142.0                      | 173 <sup>3</sup>   |  |
| Q3<br>Q4  | 98.8   | 96.5                                 | 143.1                       | 150.7  | 149.8                      | 163 <sup>3</sup>   |  |
|           |  |                                      |                             |  |                            | 9  |  |
| 2005 Q1   | 99.2   | 96.9                                 | 145.1                       | 150.1  | 149.5                      | 216 <sup>3</sup>   |  |
| Q2<br>03  | 99.0r  | 97.0<br>t 97.5p                      | 146.5<br>149.2 <sup>†</sup> | 151.6<br>154.5   | 150.9<br>153.8             |  |  |
| 00        | 55.7p  | 97.5p                                | 143.2                       | 104.0  | 155.0                      |  |  |
| Monthly   |  |                                      |                             |  |                            |  |  |
| 2004 Jan  | 98.8   | 95.0                                 | 131.5                       | 136.0  | 135.4                      |  |  |
| Feb       | 98.2   | 95.4                                 | 129.4                       | 134.7  | 134.1                      |  |  |
| Mar       | 99.3   | 96.2                                 | 131.6                       | 134.8  | 134.4                      |  |  |
| Apr       | 99.1   | 96.3                                 | 135.9                       | 141.1  | 140.5                      |  |  |
| May       | 99.5   | 96.3                                 | 136.7                       | 142.9  | 142.2                      |  |  |
| Jun       | 99.2   | 95.9                                 | 140.9                       | 145.3  | 144.7                      |  |  |
| Jul       | 98.8   | 96.2                                 | 142.5                       | 148.5  | 147.8                      |  |  |
| Aug       | 98.9   | 96.3                                 | 142.3                       | 150.4  | 149.5                      |  |  |
| Sep       | 99.1   | 96.3                                 | 144.5                       | 149.9  | 149.2                      |  |  |
| Oct       | 98.9   | 96.5                                 | 144.4                       | 151.1  | 150.3                      |  |  |
| Nov       | 99.1   | 96.5                                 | 143.0                       | 150.9  | 150.1                      |  |  |
| Dec       | 98.4   | 96.5                                 | 140.4                       | 150.1  | 149.0                      |  |  |
| 2005 Jan  | 98.9   | 96.6                                 | 143.9                       | 149.6  | 148.9                      |  |  |
| Feb       | 99.4   | 96.9                                 | 144.0                       | 148.7  | 148.1                      |  |  |
| Mar       | 99.2   | 97.1                                 | 147.4                       | 151.9  | 151.3                      |  |  |
| Apr       | 98.9   | 96.9                                 | 144.6                       | 150.8  | 150.1                      |  |  |
| May       | 99.3r <sup>†</sup>   | 97.1                                 | 146.9                       | 151.3  | 150.8                      |  |  |
| Jun       | 98.9   | 97.1                                 | 148.0                       | 152.6  | 152.0                      |  |  |
| .Jul      | 00 0   | Q7 <i>A</i>                          | 149.7                       | 154 3  | 153 7                      |  |  |
| Aun       | <u>99.5</u><br>99.5n   | 97.4<br>97.4                         | 148.8                       | 154.0  | 153.7                      |  |  |
| Sep       | 99.6p  | 97.6                                 | 149.0 <sup>†</sup>          | 154.8  | 154.1                      |  |  |
| Oct       | 100.1p   | 97.8p <sup>†</sup>                   | 152.4                       | 153.9  | 153.6                      |  |  |
| Nov       | 99.6p  | 97.8p                                |                             |  |                            |  |  |

only. From February 2002, monthly data has been obtained from the en-larged survey and quarterly data from 2002q2 are based on monthly in-dices. From September 2005, figures are based on the new Regulated Mortgage Survey (CML/BankSearch).

1 Series based on mortgage lending by all financial institutions rather than building societies only, as previously published. This change has been made necessary because of the mergers, takeovers and conversions to plc status affecting the building society sector. The series is based on the Office of the Deputy Prime Ministers' 5% survey of mortgage lenders (at completion stage), but now includes all mortgage lenders rather than building societies only Erzem Enderway 2002 mortby dot have been additional from the on and the post of the mergers. The series is based on the Office of the Deputy Prime Ministers' 5% survey of mortgage lenders (at completion stage), but now includes all mortgage lenders rather than building societies only Erzem Enderway 2002 mortby dot have been addition from the on and recorded on the basis of when the transactions actually took place. Further information is available on the DEEDEW Website

information is available on the DEFRA Website (www.statistics.defra.gov.uk/esg/default.htm) accessible through the internet. Data prior to 1993 remains on the previous basis.

3 Provisional estimates.

Sources: Office for National Statistics, Enquiries Columns 1-2 01633 812106; Office of the Deputy Prime Minister, Enquiries Columns 3-5 020 7944 3325; Department of Environment, Food and Rural Affairs, Enquiries Column 6 01904 455326

# Measures of variability of selected economic time series<sup>1</sup>

|  |          |                      | Average pe | rcentage changes |     |      | MCD       | I/ C for     |
|--|----------|----------------------|------------|------------------|-----|------|-----------|--------------|
|  | Table    | Period covered       | CI         | ī                | ō   | ī/ ī | or<br>QCD | QCD)<br>span |
| Quarterly series                             |          |                      |            |                  |     |      |           |              |
| National income and components:              |          |                      |            |                  |     |      |           |              |
| chained volume measures, reference year 2002 |          |                      |            |                  |     |      |           |              |
| Gross Value Added (GVA) at Basic Prices      | 2.1      | Q1 1990 to Q2 2005   | 0.6        | 0.1              | 0.6 | 0.2  | 1         | 0.2          |
| Households' Final Consumption Expenditure    | 2.5      | Q1 1990 to Q2 2005   | 0.8        | 0.3              | 0.7 | 0.4  | 1         | 0.4          |
| Gross fixed capital formation                | 2.2, 2.7 | Q1 1990 to Q2 2005   | 1.6        | 0.8              | 1.3 | 0.6  | 1         | 0.6          |
| Exports: goods and services                  | 2.2      | Q1 1990 to Q2 2005   | 2.0        | 1.0              | 1.4 | 0.7  | 1         | 0.7          |
| Imports: goods and services                  | 2.2      | Q1 1990 to Q2 2005   | 1.9        | 0.9              | 1.6 | 0.6  | 1         | 0.6          |
| Real Households' disposable income           | 2.5      | Q1 1990 to Q2 2005   | 1.0        | 0.8              | 0.7 | 1.1  | 2         | 0.4          |
| current prices                               |          |                      |            |                  |     |      |           |              |
| Gross operating surplus of private           |          |                      |            |                  |     |      |           |              |
| non-financial corporations                   | 2.11     | Q1 1990 to Q2 2005   | 2.6        | 1.8              | 1.6 | 1.1  | 2         | 0.4          |
| Other quarterly series                       |          |                      |            |                  |     |      |           |              |
| Construction output                          | 5.2      | Q1 1990 to Q2 2005   | 1.2        | 0.8              | 0.8 | 0.9  | 1         | 0.9          |
| Households' saving ratio <sup>3</sup>        | 2.5      | Q1 1990 to Q2 2005   | 0.9        | 0.7              | 0.5 | 1.5  | 2         | 0.4          |
| Monthly series                               |          |                      |            |                  |     |      |           |              |
| Retail sales (volume per week)               |          |                      |            |                  |     |      |           |              |
| Predominantly food stores                    | 5.8      | Jan 1990 to Jun 2005 | 0.6        | 0.6              | 0.2 | 2.4  | 3         | 0.8          |
| Predominantly non-food stores                | 5.8      | Jan 1990 to Jun 2005 | 1.0        | 0.9              | 0.4 | 2.4  | 3         | 0.7          |
| Non-store and repair                         | 5.8      | Jan 1990 to Jun 2005 | 2.1        | 2.0              | 0.5 | 3.7  | 4         | 0.9          |
| Index of industrial production               |          |                      |            |                  |     |      |           |              |
| Production industries                        | 5.1      | Jan 1990 to Jun 2005 | 0.6        | 0.6              | 0.2 | 2.9  | 4         | 0.8          |
| Manufacturing industries                     | 5.1      | Jan 1990 to Jun 2005 | 0.6        | 0.5              | 0.2 | 2.4  | 3         | 0.8          |
| Average earnings: whole economy              | 4.6      | Jan 1990 to Jun 2005 | 0.5        | 0.3              | 0.4 | 0.8  | 1         | 0.8          |
| Exports: value, f.o.b.4                      | 2.13     | Jan 1990 to Jun 2005 | 2.8        | 2.6              | 0.7 | 3.6  | 4         | 0.9          |
| Imports: value, f.o.b. <sup>4</sup>          | 2.13     | Jan 1990 to Jun 2005 | 2.2        | 2.1              | 0.7 | 3.0  | 3         | 0.9          |
| Money stock - M0 <sup>5</sup>                | 6.2      | Jan 1990 to Jun 2005 | 0.6        | 0.3              | 0.5 | 0.6  | 1         | 0.6          |
| Money stock - M4 <sup>5</sup>                | 6.2      | Jan 1990 to Jun 2005 | 0.7        | 0.3              | 0.6 | 0.5  | 1         | 0.5          |

 For a fuller description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No 226, August 1972. The following are brief definitions of the measures. Cl is the average month to month (quarter to quarter for quarterly series)

2 Series relate to Great Britain.

3 The figures in the tables were obtained from an additive analysis of the households' saving ratio so CI,  $\overline{I}$  and  $\overline{C}$  are differences in percentage points.

4 The figures have been updated as described in an article in *Economic Trends*, No 320, June 1980.

bercentage change without regard to sign in the seasonally adjusted series.  $\overline{C}$  is the same for the trend component.  $\overline{I}$  is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes 3 and

5.  $\overline{l'}$   $\overline{C}$  is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

sonally adjusted series. The average changes  $\overline{I}$  and  $\overline{C}$  can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which  $\overline{I'}$   $\overline{C}$  is less than 1 and therefore represents the minimum period over which changes in the trend, on average, exceed the irregular movement.

MCD cannot exceed 6 even if  $\overline{I}/\overline{C}$  exceeds 1 for 6-month periods.

5 As the irregular component for M0 and M4\_is obtained by subtraction of the trend rather than by division, the figures for Cl, I and C are expressed as percentages of the trend level in the preceding month.

Source: Office for National Statistics: Enquiries 020 7533 6243

# Index of sources

### Abbreviations

DEFRA – Department for Environment, Food and Rural Affairs. ODPM – Office of the Deputy Prime Minister.

|   | Table   | Source   | Further statistics (where available)  |
|---|---|--|---|
| Asset prices  | 6.9   | Office for National Statistics<br>DEFRA<br>ODPM  |   |
| Average earnings  | 1.1, 4.6  | Office for National Statistics   | First Release<br>Labour Market Trends<br>Monthly Digest of Statistics   |
| Balance of payments (current account)   | 2.13  | Office for National Statistics   | First Release<br>Financial Statistics<br>UK Economic Accounts   |
| Banking<br>Banking loans, advances and acceptances  | 6.7   | Bank of England  | Financial Statistics  |
| British government sucurities (long dated)<br>20 years yield  | 6.8   | Bank of England  |   |
| Capital account summary, analysis by sector   | 2.10  | Office for National Statistics   |   |
| Cars (see also Motor Vehicles)<br>Production<br>Registration  | 1.1, 5.3<br>5.8   | Office for National Statistics<br>Department of Transport  | News Release  |
| Change in inventories<br>By industry<br>Manufacturing<br>Ratios<br>Total  | 5.6<br>1.1<br>5.7<br>2.2  | Office for National Statistics   | First Release<br>Monthly Digest of Statistics   |
| Claimant count (see Unemployment)   |   |  |   |
| Coal (see also Energy)  | 5.9   | Department of Trade and Industry   | Energy Trends   |
| Consumer prices index   | 1.1, 3.1  | Office for National Statistics   | First Release<br>Focus on consumer price indices<br>Labour Market Trends  |
| Commercial vehicles, production<br>(see also Motor vehicles)  | 5.3   | Office for National Statistics   | News Release  |
| Construction industry<br>Index of output (see also)<br>Industrial production)<br>Orders received<br>Output  | 1.1, 2.8<br>5.2, 5.4<br>5.2   | Office for National Statistics<br>Department of Trade and Industry<br>Department of Trade and Industry | Construction Statistics   |
| Corporations<br>Financial corporations<br>Capital transfers<br>Gross saving<br>In relation to gross domestic product<br>Non-financial corporations<br>Allocation of primary income account<br>Capital account, net lending/net borrowing<br>Gross operating surplus<br>Gross saving<br>Property income received/paid<br>Resources<br>Secondary distribution of income account<br>Uses | 2.10<br>2.10<br>2.3<br>2.11<br>2.12<br>2.11<br>2.10<br>2.11<br>2.11, 2.12<br>2.12<br>2.11, 2.12 | Office for National Statistics   | Financial Statistics<br>UK Economic Accounts<br>Monthly Digest of Statistics<br>First Release<br>Financial Statistics<br>UK Economic Accounts |
| Consumer credit   | 5.8, 6.6  | Office for National Statistics   | Consumer Trends<br>Financial Statistics   |
| Counterparts to changes in money stock M4   | 6.3   | Bank of England  | Financial Statistics<br>Press Notice  |

| Credit business (see also Hire purchase)   | 5.8                      | Office for National Statistics                                 | Financial Statistics  |
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| Current balance (see also Balance of payments)   | 2.13                     | Office for National Statistics                                 | First Release<br>Financial Statistics<br>UK Economic Accounts         |
| Dwellings (see also Housing)   | 5.4                      | Office for National Statistics<br>ODPM                         |   |
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| Economic activity (Labour Force Survey)  | 4.1, 4.2, 4.3            | Office for National Statistics                                 | First Release<br>Labour Market Trends                                 |
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| Energy   | 5.9                      | Department of Trade and Industry                               | Energy Trends<br>UK Energy Statistics                                 |
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| Output index for energy and water supply<br>Primary fuel input: total, coal, petroleum,<br>natural gas and primary electricity | 5.1<br>5.9               | Department of Trade and Industry                               | Monthly Digest of Statistics<br>Energy Trends                         |
| Engineering industries<br>Sales and orders: total, home market and export  | 1.1, 5.2                 | Office for National Statistics                                 | News Release<br>Monthly Digest of Statistics                          |
| Eurodollar-3-month rate (see also Interest rates)  | 6.8                      | Bank of England  | Financial Statistics  |
| Exchange rates   | 1.1, 6.1                 | Bank of England  | First Release<br>Financial Statistics                                 |
| Expenditure (see also Total final expenditure)   | 2.2, 2.3                 | Office for National Statistics                                 | Monthly Digest of Statistics<br>UK Economic Accounts                  |
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|  |                          |  | UK Economic Accounts  |
| Price index for manufactures (international compar<br>Relative prices (as measure of trade competitivenes                      | risons) 2.15<br>(s) 2.15 | International Monetary Fund                                    |   |
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| Final expenditure (see also Total final expenditure)   | 2.2, 2.3                 | Office for National Statistics                                 | First Release<br>Monthly Digest of Statistics<br>UK Economic Accounts |
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| Gross disposable income: non-financial corporations  | 2.12                     | Office for National Statistics                                 | First Release<br>Financial Statistics                                 |

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| Gross domestic product  | 2.1             | Office for National Statistics   | First Release<br>Monthly Digest of Statistics<br>UK Economic Accounts |
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| Gross fixed capital formation (see also Fixed investment)                                     | 2.2             | Office for National Statistics   | First Release<br>Monthly Digest of Statistics<br>UK Economic Accounts |
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| Gross operating surplus or non-ninancial corporations   | 2.11            | Office for National Statistics   | Financial Statistics<br>UK Economic Accounts                          |
| Gross saving (corporations)   | 2.10            | Office for National Statistics   | First Release<br>Financial Statistics                                 |
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| completion stage  | 5.4             |                                  |   |
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| Starts and completions  | 1151            |                                  | Housing Statistics  |
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|   |                 | National Assembly for Wales      |   |
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| Inter-bank 3-month rate (see also Interest rates)   | 6.8                      | Bank of England  | Monetary and Financial Statistics                                       |
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| International Reserves<br>Key fiscal indicators   | 6.1<br>6.5               | Bank of England<br>Office for National Statistics                  | Financial Statistics  |
| Labour Force Survey   | 4.1, 4.2, 4.3, 4.5a      | Office for National Statistics                                     | First Release<br>Labour Market Trends                                   |
| Manufacturing industries<br>Change in inventories<br>Inventory ratios   | 1.1, 5.6<br>5.7          | Office for National Statistics                                     | Monthly Digest of Statistics<br>First Release                           |
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| By construction industry (see also Construction)<br>By engineering industries (see also Engineering)  | 5.2<br>5.2               | Department of Trade and Industry<br>Office for National Statistics | Construction Statistics<br>News Release<br>Monthly Digest of Statistics |
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| By engineering industries (see also Engineering)  | 5.2                      | Office for National Statistics                                     | News Release<br>Monthly Digest of Statistics                            |
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| Pensioner price index  | 3.1                  | Office for National Statistics                  | Labour Market Trends  |
| Producer input and output prices<br>Producer price index                 | 3.1                  | Office for National Statistics                  | First Release<br>Monthly Digost of Statistics   |
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| Producer price index (see also Prices)                                   | 3.1                  | Office for National Statistics                  | First Release<br>Monthly Digest of Statistics   |
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| Gross fixed capital formation  | 0.5<br>2.7           |   |   |
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| Volume index numbers   | 1.1, 5.8             |   | Monthly Digest of Statistics  |
| Ratio of distributors' stocks to retail sales                            | 5.7                  |   |   |
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| Selected retail banks' rates (see also Interest rates)                   | 6.8                  | Bank of England                                 |   |
| Service industries<br>Gross value added                                  | 2.8, 2.9             | Office for National Statistics                  | First Release   |

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